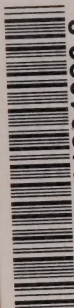


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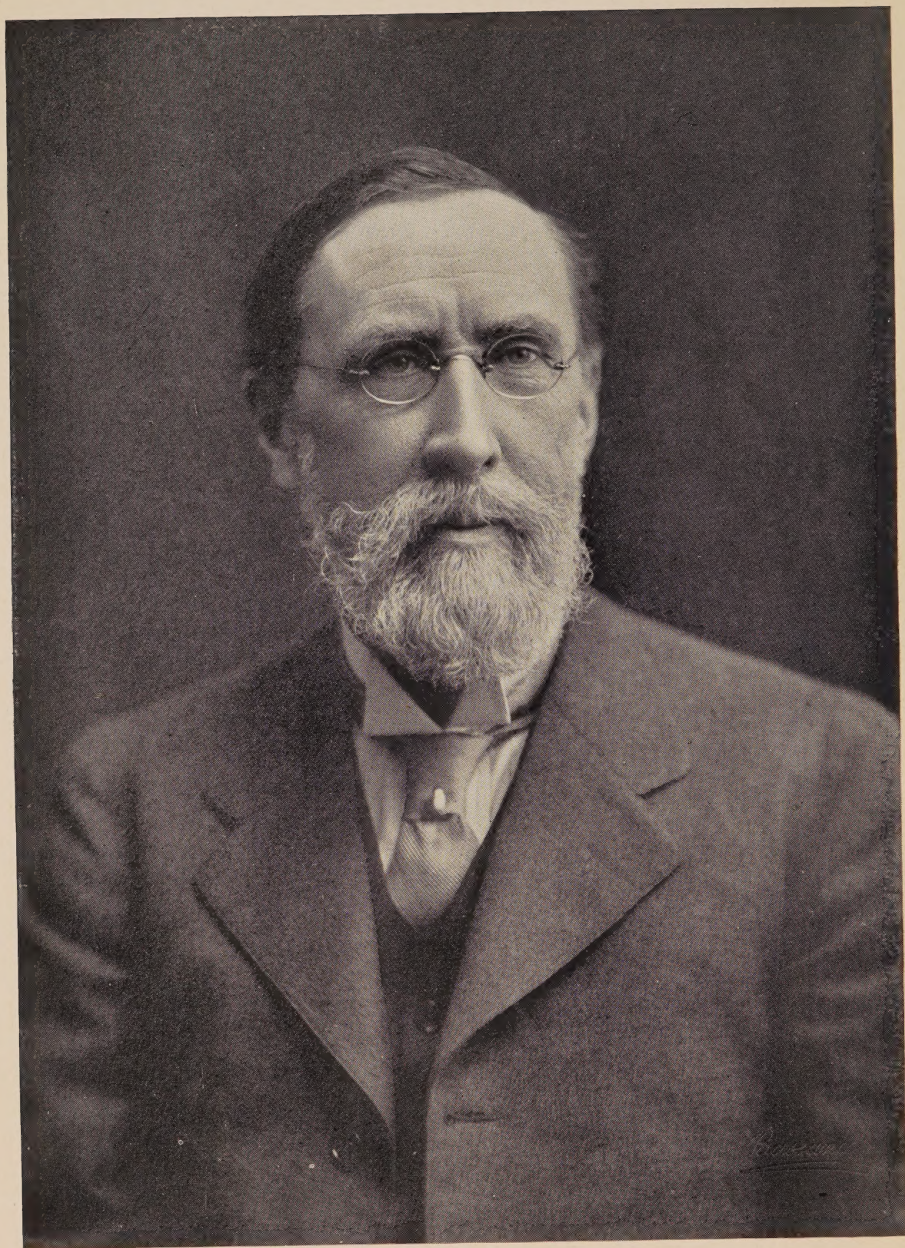
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1916.





RT. HON. SIR GEORGE E. FOSTER, K.C.M.G., M.P.
Minister of Trade and Commerce

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*Canada Special Trade Commission to
Gr. Brit., France and Italy*

Report *of* Special Trade Commission

TO


Great Britain
France and
Italy

MAY—SEPTEMBER, 1916

Published by Authority of

RT. HON. SIR GEORGE E. FOSTER, K.C.M.G., M.P.

Minister of Trade and Commerce



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In classifying its findings on the various commodities which will enter into increased trade between Canada and the countries visited, the Commission has adopted the headings of the four main natural resources used in the trade returns of the Dominion Government, viz.:

*The Farm
 The Forest
 The Sea
 The Mine*

The various manufactures are included under the headings of the natural resources with which they are most closely allied. For some manufactures, however, where the relation is not immediate, the heading—"Other Manufactures" has been used.

LETTER OF TRANSMITTAL

TO THE RIGHT HON. SIR GEORGE EULAS FOSTER, K.C.M.G.,
Minister of Trade and Commerce,
OTTAWA, ONT.

SIR:

On behalf of the Special Trade Commission appointed in accordance with your representations to the Committee of the Privy Council, and approved by His Royal Highness the Governor-General on the 9th May, 1916, and further elaborated in the report of the Committee and approved by the Governor-General on the 11th May, 1916, I beg to lay before you a report framed in accordance with our instructions upon the opportunities for trade between Canada and Great Britain, France, Italy and Belgium.

I have the honour to be, Sir,

Your obedient servant,

(Signed) J. W. WOODS,
Chairman.

Ottawa, November 18th, 1916.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY
COUNCIL—APPROVED BY HIS ROYAL HIGHNESS THE
GOVERNOR GENERAL ON THE 9TH MAY, 1916.

PRIVY COUNCIL, CANADA.

The Committee of the Privy Council have had before them a Report dated 22nd April, 1916, from the Minister of Trade and Commerce stating that about three months ago a number of business men and experts from France, with the knowledge and authority of the French Government, visited the United States and Canada for the purpose of enquiring into the sources of supply therein for materials needed for the work of reconstruction in France, to be undertaken in part at the present time and more extensively after the termination of the war.

That during their short stay in Canada they expressed their surprise at the resources of this country and the possibilities of the supply therefrom for the present and future needs of France along the lines required for the purposes above mentioned, and strongly urged the advisability of a visit to France of a representative commission of business men.

The Minister submits that it is apparent that the new conditions brought about by the war, not only in France and Belgium, but as well in the United Kingdom and other Allied Countries, have opened up possibilities for the supply of many commodities needed in Canada and which formerly were obtained from Germany and Austria.

The Minister believes that the time is opportune for making a thorough and practical enquiry into these possibilities of profitable interchange, and that this can best be done through the instrumentality of a small honorary commission of business men of standing and capacity, assisted by experts in certain of the leading lines of industrial enterprise in Canada.

The Minister, therefore, recommends that the undermentioned gentlemen should be appointed as a commission to carry out under the instructions of the Minister of Trade and Commerce, an enquiry as above outlined in the United Kingdom, France, Belgium and Italy and to make reports thereof not later than the end of August, 1916, viz:—

Mr. H.-Edmond Dupré, Quebec, Que.
Mr. W. Frank Hatheway, St. John, N.B.
Mr. Theo. H. Wardleworth, Montreal, Que.
Mr. Frank Pauzé, Montreal, Que.
Mr. James W. Woods, Toronto, Ont.
Mr. George W. Allan, Winnipeg, Man.

The Minister further recommends that he be authorized to provide for the travelling and living expenses of the Commission, which is to serve without salary, and for such Secretarial and other assistance as may be necessary.

The Committee concur in the foregoing and submit the same for approval.

(Signed) RODOLPHE BOUDREAU,
Clerk of the Privy Council.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY
COUNCIL, APPROVED BY HIS ROYAL HIGHNESS THE
GOVERNOR GENERAL ON THE 11TH MAY, 1916.

PRIVY COUNCIL, CANADA.

The Committee of the Privy Council, on the recommendation of the Minister of Trade and Commerce, advise that your Royal Highness may be pleased to forward a copy of the Order-in-Council of the 9th May, 1916, to the Secretary of State for the Colonies with the request that the Foreign Office shall be moved to communicate the substance of the same through the British Ambassador to the French, Belgian and Italian Governments in order that they may be advised of the visit of the Trade Commission from Canada and their permission asked for such facilitation of the work of the Committee as they may be disposed to give.

The Minister observes that the Commission is not charged with any official duties of negotiation or arrangements with the Governments mentioned in respect to Tariff or other matters, but is simply instructed to make enquiries and report upon the possibilities of developing trade exchanges between these countries and Canada for the mutual benefit of all concerned.

(Signed) RODOLPHE BOUDREAU,
Clerk to the Privy Council.

The Honourable,
The Minister of Trade and Commerce.

Mr. James W. Woods was appointed Chairman of the Commission by the Minister of Trade and Commerce. Mr. Theo. H. Wardleworth was elected Vice-Chairman by the members of the Commission. Mr. Roy Campbell, Montreal, was appointed Secretary by Order-in-Council on the recommendation of the Minister of Trade and Commerce.

Report of Special Trade Commission

to

Great Britain, France and Italy

ITINERARY



ARRIVING in London on May 30th, 1916, the Commission began its preliminary studies of British trade conditions.

On June 6th, 7th and 8th, the third Imperial Conference of Imperial Council of Chambers of Commerce of the Empire, was held in London. On the special invitation of the President, the members of the Commission were privileged to attend the gatherings. Upon the request of the President, the Chairman of the Commission explained the objects of the Commission, and spoke of the part which Canada hoped to play in the winning of the commercial war. The participation in this Convention was of no small moment to the Commission, as an opportunity was afforded to grasp the attitude of business men from all parts of the Empire on the subject of trade after the war.

In London the Commission had consultations with the Acting High Commissioner for Canada, Sir George H. Perley; the Rt. Hon. A. Bonar Law, Secretary of State for the Colonies; Sir Hubert Llewellyn Smith, Permanent Secretary; and other officials of the Board of Trade; the Representatives of the Provinces of the Dominion; Officials of the Board of Trade; the Managers of the Canadian Banks; the Trade Commissioners of the Department of Trade and Commerce; Members of the Export Association of Canada; the British Empire Producers' League; Officials of the Canadian Pacific Railway, Grand Trunk Railway, Canadian Northern Railway; the Credito Italiano, The Hudson Bay Company, and of other important bodies.

A meeting of the Exporters Club on June 4th was attended by some of the most prominent of the Canadian business men in London.

The Commission left London on June 9th for France.

At Havre, M. Philippe Roy, Commissioner General for Canada in France, and M. Maurice Damour, member of the Chamber of Deputies for the Departement of Landes, to whose initiative the interchange of ideas on trade between France and Canada is largely due, received the party, which began at once the interesting programme of visits which proved to be most instructive and valuable. From the moment of arrival at Havre on June 10th, where a reception was tendered by the *Chambre de Commerce du Havre*, to the departure for Italy on July 25th, the Commission received every hospitality from their hosts in France. The meetings held during the travels of the Commission will undoubtedly lead not merely to an extension of commercial relations, but also to the cementing of the most cordial and fraternal bonds.

In Paris, the Commission was received by M. Clementel, Minister of Commerce, by the President of the Paris Chamber of Commerce, by the President of the *Société d'Expansion Economique*, and other leading members of French commercial bodies. After a week of visits to industrial establishments, the Commission left for Bordeaux, as the first city in a tour which covered the greater part of France. The following cities and towns were visited: Bordeaux, Limoges, St. Junien, Felletin, Aubusson, La Bourboule, Le Mont Dore, St. Nectaire, Clermont Ferrand, Royat, Chatel Guyon, Vichy, Thiers, St. Etienne, Saint Chamond, Lyons, Arles, Marseilles, Grenoble, Grand Chartreuse, Chambéry, Aix-les-Bains, Chamonix, Annecy, Evian-les-Bains, Thonon, Yonnax, St. Claude, Morez, Pontarlier, Besançon, Montbéliard, Belfort and Epinal.

At all the points at which the Commission stayed during its journey they were most hospitably received by Senators, members of the *Chambre des Deputés*; Prefects and Sub-Prefects; Mayors and Members of Municipal Councils; Officers of the Army and Navy; Presidents and Members of Chambers of Commerce, and Presidents and Members of the *Syndicats d'Initiative*.

The Commission was accompanied by Senator C. P. Beaubien of Montreal, whose eloquent speeches added much to the success of the meetings in France.

The Commission was also accompanied in France by Messrs. Paul A. Seurot and L. N. Patenaude. These gentlemen represented the interests of the *Chambre de Commerce Française de Montréal*, and their contribution to the work of the Commission was most useful.

In Italy the visit of the Commission, though short, was of intense interest. Nothing could have been more generous than the welcome extended by the Italian Ministers of Commerce and of Agriculture, who received the Chairman of the Commission in Rome, under the auspices of the British Ambassador.

In Milan and Genoa the good offices of the British Consul and the British Chambers of Commerce, were much appreciated. The officers of the Credito Italiano entertained the Commission most hospitably and placed every facility for investigation at its disposal.

The reception of the Commission at Turin, though unfortunately brief, was a most flattering tribute to the esteem in which the Dominion is held in one of the largest industrial centres of Italy.

The Commission begs to express its profound thanks for the courtesy and hospitality extended to it during its travels in France and Italy.

Returning to Paris the Commission attended a luncheon given by the Commissioner General of Canada. This was attended by many Presidents of the French Chambers of Commerce and Syndicats d'Initiative. Among those present were distinguished French soldiers, writers, and men prominent in French commercial life.

Reaching London on August 7th, the Commission was courteously received by the London Chamber of Commerce, who placed offices at the disposal of the Commission and arranged a special meeting of the Chamber to meet the members. Interviews were arranged with the Presidents of the various trades sections of the Chamber. Those buyers and sellers of goods who had expressed an interest in the work of the Commission were invited to come to the Chamber for conferences. This plan was followed out during the trip through the provincial centres, and the results of these interviews are the basis of the great part of the findings of the Commission with regard to Great Britain, as noted in the following pages.

In the provincial centres of the United Kingdom the Commission had the benefit of the counsel of the Canadian Trade Commissioners, who paved the way for the visits and completed arrangements with the municipal authorities and Chambers of Commerce to receive the Commission.

To all those who made the visits to Bristol, Birmingham, Bradford, Hull, Leeds, Glasgow, Edinburgh, Manchester, Liverpool and Belfast the great success that they were, the Commission presents its sincere thanks.

The Commission is convinced that its labors will be followed by practical results, to the great advantage of the Dominion. The Commission has already been the means of bringing buyers and sellers together on both sides of the Atlantic.

UNITED KINGDOM

Introductory



It is not necessary to dwell upon the general features of Great Britain's industries and commerce. Britain's purchasing power, and the extent to which she draws upon the rest of the world for supplies of foodstuffs and raw materials for manufactures, and even of fully manufactured articles, is well known. The brief synopsis given below indicates in a general way the classes of goods which Britain imports and exports.

IMPORTS 1913

Food, Drink and Tobacco	£290,202,323
Raw materials and articles mainly unmanufactured	281,822,444
Articles wholly or mainly manufactured	193,602,375
Miscellaneous and unclassified	3,107,597
<hr/>	
Total	£768,734,739

EXPORTS 1913

Food, Drink and Tobacco	£ 32,587,942
Raw materials and articles mainly unmanufactured	69,904,992
Articles wholly or mainly manufactured	411,368,358
Miscellaneous and unclassified	11,383,997
<hr/>	
Total	£525,245,289

Her chief trade in 1913 was, in the order named, with India, Germany and the United States, so far as exports are concerned; with the United States, Germany and India in imports, and with the United States, Germany, India and France, in total volume of trade. Canada stands eighth on the list of total volume of trade.

Britain's total foreign trade, imports and exports together, is one and a half times that of Germany, over twice that of France, and seven times that of Canada.

One of the outstanding features of Britain's activities during the war has been the tremendous, seemingly miraculous, development of industries which provide materials for the Army and Navy. These are not only munitions and armour plate, but run into an infinity of manufactures which have required a new industrial basis. It is safe to say, therefore, that Britain has developed artisans by the million from those classes which were previously in less intensely productive walks of life. Britain has caught a glimpse of what intensity in industrial pursuits means. She will, undoubtedly, hereafter press more vigorously for foreign trade, and for the maintenance of industry after the war.

While Britain is looking for markets she is also looking for raw materials for industry, and other products of a nature which Canada and the other overseas Dominions are well able to supply. There is no doubt of the possibilities of developing a very large trade between our country and the Motherland.

With the object of securing accurate information on this point, the Commission, through the kind offices of the Chambers of Commerce of the United Kingdom and particularly their central point of contact, the office of the Associated Chambers of Commerce of the United Kingdom in London, sent out many thousands of enquiry forms to be filled out by those desiring to import from or export to Canada. The results of the enquiry have been most gratifying, and with this report the Commission is able to place in the hands of the Department of Trade and Commerce 1700 enquiries giving full details of requirements, classified according to geographical distribution and commodity.

Canadian Exports to United Kingdom

Products of the Farm and Allied Manufactures

W H E A T



CANADIAN Wheat is the standard of the British market. Manitoba wheat, for strength, is paramount. It stands the tests of the ocean voyage. British millers, particularly in Glasgow, are finding it advantageous to brand their flour "made of Manitoba Wheat." This fact has to some extent forced British millers to grind Canadian grain and to advertise it.

The Dominion Government inspection of wheat confers a benefit which it is hardly possible to over-estimate. "Dominion Inspection" will bring a price above that offered for "Seaboard Inspection," in any market of Europe.

The continued vigilance and skill of Canadian Government Inspectors will keep Canada's grain well to the fore.

The grain trade is well developed and is handled through channels which need little deepening or strengthening to provide Canada with a steady outlet for her greatest product. Ocean going vessels are glad to carry Canadian wheat; British millers are glad to have it; Canadian railways are glad to bring it to seaboard. There is nothing, therefore, except the actual freight rates to impede in any way the great development of Canadian exports of grain.

BARLEY

The imports of Barley into the United Kingdom are valued at \$40,000,000 per annum, the leading countries of origin being Russia, the United States, Germany, Austria-Hungary, Roumania, Bohemia, Moravia, Turkey and British India. Imports from Germany and Austria-Hungary in 1913 were valued at \$860,000 and \$725,000 respectively. Imports from Canada rose from \$260,000 in 1910 to \$4,000,000 in the year before the war.

Canadian barley contains a relatively large proportion of diastase which makes it specially valuable to the distiller of grain spirit who requires this grain. The imports of Canadian barley are largely used by the Scottish grain distillers. In addition large quantities have of recent years been used by the potstill distillers, whose product, whiskey, is entirely

made of barley malt. The barley for the latter, imported into Glasgow and Leith, is distributed over great distances by rail and water, usually by rail, at considerable cost. The buyers complain of the presence of extraneous matter, particularly of black oats, on which they have to pay both the ocean freight and the distributing freight. These black oats when extracted from the barley at the distillery, have small value. It would greatly enhance the price of Canadian barley if it were clean and free, as far as possible, from such foreign matter. If barley growers would develop a fine grade of clean barley it is stated that a very large trade could be opened with distillers at good prices. One firm doing a large business in importing barley for distillers stated that it would be willing to give full particulars and send samples of the required grains if any of the Canadian farmers cared to develop this trade. On the other hand another Glasgow firm recommended that the Canadian farmers should select their own seed and develop a fine clean grade suitable for distilling.

The Commission was warned, however, that our land is not capable of growing Scotch barley and that to attempt to raise two row barley in Canada is to follow a will-o'-the-wisp. On the other hand, the Commission was shown samples of very fine two rowed barley grown in Canada, from seed sent from Scotland, and the Glasgow merchant claimed that he had hopes that the quality might be still further improved by the farmer who had specialized on this variety. It had been grown in the Northwest and the buyer was willing to pay a much higher price for the two rowed barley than for the ordinary type.

Seeing that such a difference of opinion exists with regard to the possibility of growing this type of barley, would it not be well for the Department of Agriculture to investigate the matter and see if the two rowed barley cannot be grown in Canada with success in some districts?

Canadian Malt should find an export market. Glasgow imports barley and exports malt. To the layman this is an indication that Canadian maltsters might profitably explore outside markets. Malt is used not only by brewers but also in the manufacture of malt extracts, vinegar, etc., and the imports of malt by South America, South Africa, Egypt and Japan heretofore supplied largely by Germany and Austria have run into substantial figures.

FLAX SEED

The Commission found that there was a good demand for Flax Seed in Hull, which occupies the premier position as a centre of oil crushing in the British Empire. Of the total quantity of oil-producing seed imported annually unto the United Kingdom, Hull normally takes 50%. This proportion has been well maintained during 1916.

The crushers would be glad to receive offers of Canadian flax seed if it should be to the advantage of the Canadian shippers to export. The chief competition would come from the Argentine and India.

GRASS AND CLOVER SEEDS

Imports of Grass and Clover Seeds into Great Britain in 1913 were valued at \$3,000,000, Canada's share being \$100,000. The United States and Germany were the leading sources of supply, imports from the former in 1913 being \$750,000, and from the latter \$725,000. France also supplied about \$640,000 worth.

FLOUR

Britain imports the equivalent of four loaves of every five her people eat. Of flour she imports about 11,000,000 cwt. annually, of which half comes from Canada.

Canada is eminently in a position to export flour, as with an annual capacity of 30,000,000 barrels per annum and an approximate home consumption of less than 10,000,000 barrels per annum, Canadian mills must grind very largely for export.

Freight rates are practically the dominating factor in the extension of Canadian business in flour. The shipping companies have at times established rates which have not been fair to Canadian millers. It is fairly well established that in normal times the differential between wheat and flour should be about $7\frac{1}{2}$ cts. per 100 lbs., flour occupying about one-sixth more cargo space than wheat. On June 14th, 1916, however, the ocean rate between Montreal and London was 35 cts. per 100 lbs. on wheat and 80 cts. per 100 lbs. on flour. The British Requisitioning of Ships Committee was waited upon by the London Flour Association and on the same day the rate of flour was reduced from 80 cts. to 60 cts., and within seven days was 45 cts. as against 30 cts. for wheat. With such a large variable factor standing between the Canadian miller and his market, it is desirable that some measure of control should be devised. The Commission refers to this again under the head of Transportation.

The Steamship Companies claim that their loss through damage to flour is 1 ct. per 100 lbs. greater than on wheat. Glasgow importers, however, say that this is not the case; that there is practically no difference between the damage claims made on wheat and on flour. However, in 1915 the steamship lines discouraged the shipping of flour, as grain was more easily handled, and they were able to get as much grain as they could carry.

CEREAL FOODS

Oatmeal and Rolled Oats are the staple breakfast foods of Great Britain. Some attempts were made a few years ago to introduce various kinds of Canadian breakfast foods, but a good deal of advertising would be necessary to bring them successfully before the public. This is particularly true in view of the fact that the business which is already done in these lines is carried on by United States manufacturers of breakfast foods, who have been established for years and who spend huge sums in advertising.

Canada sends to Great Britain about \$700,000 worth of oatmeal yearly, and over \$1,000,000 worth of rolled oats. For both commodities she is still Great Britain's main source of supply.

STARCH

The Commission received enquiries for this in quantities of 1,500 to 2,000 tons, with indications that Canadian starch would be welcomed if it could be offered to advantage.

No rice starch is imported from Canada or other British Possessions, the whole quantity, valued at over \$1,000,000 a year, being brought from Germany, France, Belgium, the Netherlands and Austria-Hungary. Certain other kinds of starch are brought from the United States varying in value from \$1,000,000 to \$2,000,000 a year.

POTATO FLOUR comes mainly from the Netherlands and Germany in normal times. The annual imports are valued at \$2,500,000 a year.

FARINA (Potato Starch): 30,000 to 40,000 tons have been hitherto imported in the Manchester District per year from Germany and Holland, but the manufacturers would welcome offers of this article from Canada. They intimated, however, that a special potato has to be grown for making good potato farina such as they require.

CATTLE-FEEDS

There is every indication that for some time there will be a brisk demand in the United Kingdom for all kinds of cattle-feeds. Canadian exporters have not taken full advantage of the market in the past. Supplies are drawn from distant sources with which Canada should not find it difficult to compete. It is obvious, of course, that the Canadian home demand influences the supplies available for export, but it is gener-

ally contended that much larger supplies should be forthcoming in the future, particularly as prices are likely to be more tempting than they were in pre-war days.

HAY

Imports of Hay fluctuate in value in accordance with the state of the British crop. As hay has always been treated by the shipping companies as the last commodity they care to transport, business depends upon abnormal conditions. However, for many years Canada has been the main source of imports into the United Kingdom. In 1911 Canadian sales of hay to the U.K. were valued at nearly \$2,000,000 out of a total import of \$2,400,000. Large shipments are made from St. John, N.B.

The qualities best suited to the British market would appear to be clover and clover-mixed grades. While it would appear that Canadian exporters are able to beat competitors, a certain prejudice has to be overcome in some quarters of Great Britain as in the past there have been some very unsatisfactory shipments.

FLAX FIBRE

There is in the United Kingdom and Ireland a very urgent demand for Flax Fibre to replace supplies which formerly came from Russia, Belgium and other sources. The probability is that this shortage will continue for some considerable time, as the producing districts even in the Allied countries have been ravaged. Considerable time will have to elapse before satisfactory cultivation can be resumed. The importations of flax dressed and undressed into Great Britain are valued at \$20,000,000 per annum.

The Commission devoted considerable attention to the question of the utilization of Canadian flax straw. In doing so it studied as far as practicable the problem of retting, which would be suitable to the Canadian conditions and climate. Much time and money has been spent in endeavouring to overcome the climatic and labour conditions in the Dominion, which have hitherto prevented a satisfactory solution of the problem. From information gathered by the Commission and investigations made upon the spot, it is hoped that one or two new processes or both, may be employed in Canada for the purpose of utilizing flax straw in the desired direction, thus adding a new source of wealth to the Dominion.

One of the new processes under consideration is a combined chemical and physical method which offers considerable promise of success. The other is bacteriological in its character; it is possible

that it may be adapted to the needs of Canada in such a way as to give successful results.

Two members of the Commission are following this question up and hope to report further as to the feasibility of one or both methods.

HOPS

Samples of Canadian Hops have been received at the Birmingham Trade Commissioner's offices and distributed among brewers in this district. They were satisfactory and there is no doubt that the trade can be considerably developed. By far the larger quantities are imported from the United States with Germany and Belgium next in importance. The annual value of imports range from \$5,000,000 to \$7,000,000. Purchases from Canada rose from \$430,000 in 1910 to \$940,000 in 1912, but they fell to \$1,300 in the fiscal year 1914-15, containing six months of the war period. Imports from Germany used to range from \$600,000 to \$2,000,000 a year.

LINSEED CAKE

Imports of Linseed Cake from Canada which rose from \$300,000 in 1911 to \$566,000 in 1913, fell to \$275,000 in 1914, rising again in 1915 to over half a million dollars. The British market is a very important one, and Canadian exporters should not find much difficulty in increasing their sales, although it is understood that her capacity for export is limited on account of home requirements. The United States, Russia and British India are the leading competitors of Canada. The total annual imports range from \$2,100,000 to \$3,100,000. Germany appeared, before the war, to be gradually losing her hold on the British market, as her exports fell from \$840,000 in 1910 to \$63,000 in 1913.

APPLES

The total apple arrivals at the principal ports of the United Kingdom from the United States and Canada, during the season of 1915-16, were as follows:—

Liverpool and Manchester, 652,944 bbls.; London, 383,938 bbls.; Glasgow, 330,975 bbls.; total 1,367,857 bbls. Of these totals the following quantities came from Canada:—

Liverpool and Manchester, 179,534 bbls.; London, 222,886 bbls.; Glasgow, 89,006; bbls. total 491,426 bbls. Canadian apples, therefore, formed nearly 36 per cent of the total arrivals from North America. For purposes of comparison, all box arrivals have been included in the above figures, reckoning three boxes to a barrel.

The following table gives the Canadian apple arrivals in greater detail:—

From	Liverpool & Manchester	London	Glasgow	Total
Ontario (bbls.)	54,538	1,794	69,987	126,319
“ (boxes)	6,631	2,657	10,586	19,874
N.S. (bbls.)	121,575	218,290	14,358	354,223
“ (½ bbls.) . . . . .	....	320	....	320
“ (boxes)	1,846	1,888	....	3,734
B.C. (boxes)	1,786	3,380	3,395	8,561

The figures of apple arrivals (in bbls.) from Canada and the United States during the past three years are given for purposes of comparison.

Year.	Liverpool	London	Glasgow	M'chester.	Total
1915-16 . . .	527,547	383,938	330,975	125,397	1,367,857
1914-15 . . .	1,050,359	646,957	522,158	211,351	2,430,825
1913-14 . . .	642,695	426,884	362,435	88,934	1,520,948

In general, it may be said that the quality, grade and pack of Canadian barrel apples obtained through reliable and experienced shippers compare favorably with any other apples on the market. The Fruit Branch of the Department of Agriculture has been steadily improving the inspection system. Considerable additions to the inspection staff were made during 1915, and the stationing of a number of inspectors in the producing districts has rendered possible a much greater degree of official control over the grade and pack.

The best inspection system, however, cannot bring all packers and shippers up to the required standard. This is a matter of education, necessarily a slow process, on account of the large number of individuals who have no organization interested in proper inspection.

The 1915 crop was unusually short and also generally of inferior quality. During the heavy shipping months of November and December especially, there were many justifiable complaints by the trade as to the inferior quality and pack of many of the Canadian apples received. In a short crop year there are strong temptations to make use of apples that would not be considered marketable in a year of average or large output, and to these many of our shippers succumbed. Many No. 3 apples especially were very scabby, reaching the market in so wasted a condition as to fetch prices that must have represented an actual loss to the shipper.

BOXES. Washington and Oregon box apples have a deservedly high reputation on the British market. British Columbia box apples are scarcely known. The annual quantity so far exported has seldom

been in excess of 10 or 12 cars. The best packs of British Columbia apples are fully equal to the Oregon apples. Ontario box apples were on the market in 1915 in fair quantities, and some packs inspected left nothing to be desired. In general, it may be said, however, that the eastern box apple is very far from the high standard of grade and pack that has given the western box apple a distinctive place on the market. The sizing, especially, is frequently very poorly done, resulting in slack packs; and there is often a lack of uniformity as regards color requirements. There is, undoubtedly, a certain field for the expansion of the box-packing of eastern apples, but it would be a mistake to pack in boxes any but the best apples of the best varieties. A considerable improvement in the standard of grading and packing is also necessary.

Canadian apple shippers owe a great deal to the thorough and painstaking work of the Canadian Cargo Inspectors at London, Liverpool, Manchester, Glasgow and Bristol. These officials are on hand at the discharge of every apple boat, and make it their business to see that there is no unduly rough handling in unloading the barrels. Their influence is a very real and definite one, and has been especially valuable during the past season, when labor shortage has resulted in the employment of a constant succession of new and inexperienced men at the docks. There have been many instances in which the action of the inspectors has been effective in securing a change for the better in the methods of handling the apples. The value of these services will be realized, when the great loss which rough handling entails in the shipment of slack barrels is considered.

CANNED VEGETABLES

TOMATOES present an opportunity for increased export if greater care can be taken in the packing. Canadian tomatoes are naturally soft and difficult to pack. For this reason the Italian so-called "plum" tomato is very popular, as it is capable of being used for grill purposes in the hotels, and when served direct from the can, presents a neat, appetizing appearance.

On the other hand, the natural disadvantages of the Canadian variety have been accentuated by the practice of including too large a proportion of water in the contents of the can. One of the practical outcomes of this situation is that the British Government has, it is said, paid threepence per dozen cans higher for Italian tomatoes than the price at which they could purchase Canadian varieties, because of the greater relative value.

In one city which the Commission visited, samples of canned fruits and vegetables were compared, and it was evident that the greatest care

must be exercised by the Canadian canners if the British market is to be developed.

PEAS.—Canadian peas are at a disadvantage in not being bright enough. The French pea has the advantage in being small and bright green. In some instances the competing lines are coloured artificially. As Canadian manufacturers are not allowed to brighten the pack, the product cannot make the same appeal to the purchaser.

There is a demand, of course, for peas which are guaranteed free of colouring matter, and in this direction Canadians can compete.

The grades of green canned peas are as follows:—Petits Pois, Sweet Wrinkle, Early June and Standard. Canada can hardly hope to grow the first mentioned, but investigations are under way to see if climatic conditions can be overcome so that the Dominion may succeed in growing the finer types.

SWEET CORN.—While the British public has not yet developed the taste for canned corn, Canada is in a position to supply the demand whenever it arises. British dealers are introducing it in one or two directions. The caution with regard to the quality should also be borne in mind in this class of goods.

STRING BEANS.—These are known in Great Britain as “Green Beans”. They would command a larger sale if better selections were made, similar to that made by the Italian and French packers. Instead of the beans being “thrown” into the tins indiscriminately, they should be selected and carefully packed. When “wax” beans are packed they should be so described for the English market, as the public in Great Britain is unfamiliar with this particular bean. The buyers are apt to regard the bean as faded unless they are advised to the contrary.

BAKED BEANS.—During the past year very large orders for Baked Beans for campaign supplies have been placed in Canada by the British Government. It seems possible that this may lead to the acceptance of this article of food among the many men who have acquired a taste for baked beans during the war.

A few extracts from conferences held in the United Kingdom in August last in relation to canned goods are given herewith. Packers of canned goods should remember that all the gentlemen quoted were most anxious for the reputation of Canada’s pack and were eager to increase Canada’s trade.

LONDON.—“Tomatoes 3’s, a little too sloppy,—not nearly as nice or as solid as Italian.” It is suggested that Canadian tomatoes be packed more “solid”—that the tomato water be thickened, put into 5 kilo tins (11 lb.) and marked and sold as “Tomato Purée”—10 tins to a case.

BIRMINGHAM.—“Buys only Italian tomatoes—Canadian stock not as good—Condemns poor colour of peas.”

NEWCASTLE.—“We have, so far, touched only a small proportion of Canadian vegetables, as we found them unsuitable for our trade, mainly because of the price, and in some instances, because of the packing. The vegetables we are principally interested in, are canned Peas, Haricots Verts, Spinach, Tomato Purée and Tomatoes. We are in a position to handle anything up to 5,000 cases of Tomatoes and Purée, and a similar quantity of Haricots Verts, Peas and Spinach. The sizes of cans we find most suitable for our trade, are 3's Tomatoes and 2's Purée, Spinach, Haricot Verts and Peas, also 1's Peas. We have not handled a great deal of Canadian canned vegetables, with the exception of Peas. We have never found the peas to give the same satisfaction as the French and Italian, this probably being occasioned through the different grading.”

NEWCASTLE.—“The trade in Great Britain in canned vegetables is confined at present to canned peas and tomatoes. With favorable prices, we are buyers of 5,000 cases of Canadian tomatoes in 3 lb. tins, but everything would depend upon the rates that the canners are able to quote as to whether business would be possible with either of these goods.

“As you know, the excessive freights and the high packing costs have made business very difficult. Our experience on previous Canadian packs has been that the tomatoes are variable, and contain too much liquid.

“So far as the development of the English market is concerned by Canadian Packers, I can suggest no better way than by bringing their prices into competition with the Italian and American Canners who are at present doing the bulk of the trade.”

BIRMINGHAM.—“Tomatoes have too little solid and too much water. Should be more like Italian both in colour and solidity.”

There is a British law against colouring vegetables over a certain percentage. The Commission could not find that persons in London, Bristol, or Birmingham had been prosecuted under this law. The difference in the colour of Canadian peas and beans compared with Italian is very great, and militates against the Canadian. It is evident that the Italian are artificially coloured, but Canadian are not.

BIRMINGHAM.—“Baked beans in tomato sauce should have a good market here.”—“A United States firm is doing a large business in the above and in pork and beans.”—“90% of the stores in Birmingham sell his goods”—“this U. S. packer quotes at his own store in London or c. i. f. to the larger cities of the United Kingdom”—“to be successful, Canadian packers should have their agents and stores in central British cities.”

Another firm gave virtually the same opinion.

CANNED FRUITS

Of the imports of canned fruits into Great Britain of about \$1,000,000 per annum, Canada is securing a steadily increasing share. In 1910 purchases from the Dominion were valued at \$125,000, by 1913 they had risen to \$210,000. This amount has been maintained through the first two years of the war.

APPLES, commonly known as "gallon" apples, have been sold in increasing quantities, as follows:—1911, \$200,299; 1912, \$229,881; 1913, \$217,183; 1914, \$362,854; 1915, \$433,808. These goods were used principally in the bakery trade in the manufacture of pies. They have not been used much in the British household. The demand is, of course, to some slight extent dependent upon the size of the British apple crop, but is fairly regular from year to year. The possibilities of a surplus for the British market naturally depend upon the Canadian apple crop. It cannot be too highly emphasized, however, that it is absolutely necessary to improve the quality of the pack. The Commission was informed upon excellent authority that the quantity of solid material in a can of apples was distinctly less than competition requires. Experiments have been made which show that in some cases there is a difference of $1\frac{3}{16}$ lb. between the weight of apples in a Canadian "gallon," and that of competing lines.

In Glasgow, a complaint of short weight was made to the Commission by an importer who had received from a Canadian canning firm, about 14,000 cases, each containing six one-gallon tins of apples. The average net weight was found to be 3 lb. 3 ozs., whereas the average net weight per tin shipped by other Canadian canners was 4 lbs. 1 oz. In the shipment in question there was a shortage of fully 22%, and the importer claimed that such deliveries must inevitably seriously impair the reputation of Canadian brands.

PEACHES.—Canadian Peaches are much desired for their fine flavour. They have the disadvantage, however, of being rather soft in texture, and therefore a little difficult to can. This, combined with a widespread disregard of the tastes of a discriminating public, has made it difficult to sell extensively in the British market.

The Californian peach is in great demand. It is firm, and the United States packers take advantage of this to cut the fruit into two halves and so make the peaches available for the highest class of table use. These peaches are very commonly used for desserts in the large hotels.

Canadian packers have sinned in many ways; they have packed the fruit when unripe, cut it into small uneven pieces, in many instances over-processed the pack, making the fruit a bad colour. While it is

quite apparent that the nature of the fruit itself is against attractive packing, there is, nevertheless, a very obvious carelessness on the part of Canadian canners. If a trade is to be developed the matter of improved packing must have the serious attention of the canners.

PEARS have suffered in the same way. It may come as a shock to Canadian producers to learn that the Director of the British Army Canteen Committee, supplying more than 2,000 canteens, on one occasion refused to purchase Canadian pears. A Canadian Government official hearing of this at once communicated with the Director, and asked for an explanation. He was invited to visit the Committee's headquarters, where cans of Canadian pears were opened in his presence by the experts of the Committee. The fruit was seen to be so inferior in quality that he at once realized why the Committee had been unable to authorize the purchase. It should be explained that the Committee, while not a buying body, supervises the purchasing of supplies for all the military canteens in the United Kingdom, and permits the buying of only those goods which they list. The Committee is naturally anxious to purchase everything possible within the Empire. This particular instance indicates the value of the market, as most of the canteens under the supervision of the Committee will remain open permanently.

The Commission was assured that the lines which Canadian fruit packers can best push in the British market are peaches and pears. There is a large demand, as our fruits have a fine flavour. The packing practices alone stand in the way of large trade.

The following are the most suitable sized tins for the market:—

PEACHES, PEARS, APRICOTS Nominal 2's and nominal 3's.

TOMATOES AND BAKED BEANS “ “ “ “ “

PEAS, BEANS, SUGAR CORN “ “

APPLES.....Gallon Tins, “ “ “

SMALL FRUITS.—The sale of raspberries, plums, strawberries, etc. will be problematical, as with the existing supplies in Britain and those available from the Continent, and with the extensive organization for preserving fruits already existing in Britain, there is likely to be an over-supply in the United Kingdom rather than a shortage.

EVAPORATED APPLES AND OTHER FRUITS

While the chief demand for these is Continental, there has been an increasing consumption in the United Kingdom.

The quality of the Canadian product was not considered altogether satisfactory. Some improvement, however, in the Canadian quality has been shown recently, and no doubt the trade can be considerably increased.

Several enquiries have been made for Canadian PRUNES. In this fruit California has captured much of the trade formerly done by France and other European countries, and there seems no reason why the British Columbia growers should not secure a share of this trade, if they can place on the market fruit of the same high standard of excellence as the product which now finds favor.

CHILLED AND FROZEN BEEF

The provision of sufficient quantities of meat for the requirements of the United Kingdom was a serious problem long before the war, and the maintenance of adequate supplies was largely met by increase in home production.

For a number of years past, supplies from the United States had practically ceased, and imports were largely from South America. Australia also ships large quantities to the United Kingdom.

Great Britain could take practically unlimited supplies of Chilled and Frozen Beef from Canada, and would eagerly welcome this new source of supply.

The Commission was informed upon excellent authority that the quality of Canadian meat should be improved if the carcasses can be shipped cold. It is said that the poorer qualities from the West do not stand shipment except on the hoof.

CANNED MEATS

The war demand has greatly stimulated the importation of Canned Meats into Great Britain, and, while Canada has shared in the increased market, her exports have been small, as compared with those of the Argentine and the United States. In fact, Canada stands last in every class of import of meat preserved other than by salting.

So long as the local market for fresh meat continues to absorb the choice parts of Canadian beef, the exports of canned meats are not likely to be large. Something is to be desired in the quality of the Canadian pack, to which prospective exporters are counselled to pay particular attention.

BACON AND HAMS

BACON.—There is a large market in Great Britain, whose imports exceed \$80,000,000 a year. Canada's record year before the war was 1911, when her sales to Great Britain exceeded \$8,800,000. During

the same year, purchases from the United States exceeded \$25,000,000, and those from Denmark exceeded \$33,000,000. Imports from the latter country had risen from \$31,000,000 in 1910 to \$50,000,000 in 1914, and those from the United States from \$22,250,000 to \$28,700,000.

In Great Britain Canada has to compete with established English and Irish brands and also has to contend with the large and well-regulated shipments from Denmark. The Canadian brands are everywhere well spoken of on account of their clean and bright appearance. The strong salting necessitated by the ocean voyage tells against Canadian bacon in the British taste, which demands a mild cured product. The suggestion has been made in Great Britain that Canadian exporters should pay more attention to a combination of curing and cold storage in order to secure the delivery of mild cured bacons and hams in Great Britain. This would then place the Canadian shippers on a level with the Continental curers, who through their geographical position have the advantage of being able to deliver their product within a few days in the British market, thus meeting the demand for mild cured hams and bacons.

HAM.—In the year before the war British imports of hams were valued at \$15,300,000, over \$13,500,000 of which came from the United States. Imports from Canada were valued at \$1,600,000, an advance of \$950,000 over the year 1910. Canada may look for an extension of her sales, according to her producing capacity, as her hams are highly appreciated in the British market.

BONELESS BEEF AND PORK TRIMMINGS

At one of the London Conferences, the question of the Canadian Veterinary Inspectors' certificate of Boneless Beef and Pork Trimmings was brought before the Commission.

An importer stated he was of the opinion that the Canadian examination is in accordance with the requirements of the English authorities, but in the case of Boneless Beef and Pork Trimmings, the English Inspectors at port of arrival frequently insist on having a large proportion of these goods thawed out for inspection. The process of thawing out at port of arrival means that the goods have to be re-frozen for transport in England. This makes the business difficult. The importer claimed that if Boneless Beef and Pork Trimmings are passed by the Canadian Veterinary Inspectors in the packing houses as being fit for shipment, then steps should be taken to ensure that the inspectors in Great Britain be asked to accept the Canadian inspection. This would allow these products to move freely from ships' cold store to destination in Great Britain, without undergoing the thawing process at port of arrival.

LARD, TALLOW, CASINGS, ETC.

The United Kingdom imports largely of lard, tallow, casings, and other by-products of packing establishments, the chief source of supply being the United States.

Canada has exported some of these articles to a small extent. When the growth of the packing industry creates a permanent surplus for export, the Dominion should be able to increase this trade to the United Kingdom, provided competition from the United States can be profitably met.

The lard business is largely in the hands of the United States. Out of a total import, valued at \$27,700,000 in 1913, \$25,500,000 worth came from that country. Purchases from Canada advanced from \$565,000 in 1911 to \$1,100,000 in the year before the war. Packers should endeavour to gain more of this trade.

The United States and New Zealand are the leading countries from which supplies of bladders and sausage casings are drawn. The imports are valued at \$3,000,000 a year, Canada's contribution being about \$75,000. Supplies valued at over \$400,000 a year formerly came from Germany. Canada has a good opening in Great Britain for a growing trade.

DAIRY PRODUCE

Canada has been one of the chief sources of supply in this line for many years. Statistics for the year 1913 indicate that Canada stands fourth in importance as an exporter to the United Kingdom.

Prominent in this business has been CHEESE. Canadian exports annually to the United Kingdom have been upwards of \$20,000,000. for many years. The shipments of cheese to the United Kingdom have been immensely increased during the past two years, as the article has been placed upon the list of soldiers' rations. In the winter of 1915-16 alone 36,579 boxes of cheese were imported into Manchester by direct steamers from Halifax and St. John, as compared with 8,360 boxes in the preceding season.

One of the largest firms of cheese importers states in its report dated July 1915, "Canadian cheese has passed through most of the difficulties of manufacture and troubles arising from lack of cold storage as at present experienced by New Zealand and Australia. The Canadian product has so firmly established itself in the good opinion of consumers in this country that criticism is now uncalled for."

Some of the cheese going to Glasgow brought forth some adverse comments on the points of short-weight and softness, but generally speaking the boxes and contents arrived in good condition.

The Commission learned that in some districts the demand for Canadian cheese exceeds the supply.

BUTTER.—It is difficult for Canada to compete with Denmark. The Danes use margarine for practically all purposes for which butter is generally employed, and send Great Britain all their best qualities of butter. As farmers in the Dominion are gradually adopting “mixed farming,” it is to be hoped that a return of the export trade in butter may be realised.

EGGS.—British imports of Eggs exceed £8,000,000 a year, the chief source of supply being Russia and Denmark. As a result of the great decrease in shipments from these two countries, particularly the former, Canada has been sending over large quantities during the past year or two.

While handicapped by the absence of the usual cold storage accommodation on the ships, quality on the whole has been fairly satisfactory.

There are, however, many complaints about breakages, etc., and the majority of the trade consider, in this direction, that the Canadian box is greatly inferior to the much larger case in vogue in the British market, viz., 12 great hundreds. The main reason is that whereas the Canadian eggs are packed in cardboard fillers, and are thus subject to movement, the Danes and other shippers pack the eggs in successive layers of excelsior, which makes a solid interior, incapable of suffering from shaking.

CONDENSED MILK

Swiss and Dutch Condensed Milk has hitherto been imported in immense quantities into Great Britain. Some is also imported from Norway. The market for imported condensed milk is valued at about \$11,000,000 a year. Australia is endeavouring, and with success, to gain a foothold in this market with preserved milk. From \$250 in 1910 she increased her sales to \$85,000 in 1913. New Zealand managed to export, for the first time, during the last five years, \$32,000 worth in 1914. The Commission noted with satisfaction that there is a desire on the part of the British public to buy Canadian condensed milk. Before the war many sizes were common in Great Britain, varying from 4 oz. to 24 oz. The demand now is for only 6 or 8 sizes. One buyer at Birmingham “prefers skimmed milk condensed, but sweetened with sugar.” He has been buying in Holland at the following prices:—

Cases	8 doz.	7½ oz. size	.....	23/-	c.i.f.
“	4 “	12½ “	.....	20/-	“
“	4 “	16 “	.....	22/-	“

He could use several hundred cases per month. Another dealer wanted full cream, tins 5 oz. and 16 oz.

A dealer in Manchester wants both the full cream and the skim milk—cases 48 1-lb. tins, 96 $\frac{1}{2}$ -lb. tins. Margarine and confectionery makers use large quantities of Milk Powder. The demand is for 28 lb., 56 lb., and 336 lb. packages.

The war greatly affected trade with Allies and Neutrals. Great Britain had to pay a high price to the Netherlands in 1915 for condensed milk and milk-powder. Italy had to drop out, and Canada took the lowest place on the supply record.

There is a market in Great Britain for milk powder. The imports are valued at \$350,000 a year. Heretofore the Netherlands have been the chief source of supply. Australia (Victoria) sent \$60,000 worth, and New Zealand \$15,000 in 1913.

POULTRY

During certain seasons of the year, notably towards Christmas, there is always a good opening for foreign chickens, ducks and turkeys. The chief countries of origin in normal times are Russia, France and the United States. Of the total imports of dead poultry in 1913, valued at \$4,700,000, \$1,700,000 worth came from Russia, \$1,000,000 from the United States, and \$700,000 from France. Imports from Canada in 1913 were valued at \$7,500; but they rose to \$45,000 in the fiscal year of 1914-15 (six months' war period).

Prospects were thoroughly investigated by all the Canadian Trade Commissioners in the autumn of 1915, and very concise reports of the requirements of this market were transmitted to Canadian shippers, while many of the poultry salesmen in Great Britain exchanged correspondence with Canadian exporters. It is understood that comparatively little resulted, largely owing to the fact that good prices could be secured in Canada. But Canadian poultry is very popular, and the trade can be developed.

From enquiries made in various centres, it seems that better methods of packing and grading are necessary on the part of Canadian shippers.

HONEY AND CIDER

Canadian honey is sold in small quantities and the market could be developed. British imports are valued at \$200,000 a year. The chief countries of origin are the West Indies, Chili, Peru and the United States.

Canadian Cider is stated by experts to surpass the home product. Much of it came into Birmingham a few years ago, and while the standard of quality was maintained it readily found a market. For some reason or other the quality deteriorated about 1909, that is the quality of the cider imported from a specific brewer in Ontario, upon whom the Birmingham importers relied.

It is a trade capable of considerable development. The cider is received in barrels and then bottled in Britain. Imports are valued at about \$30,000 annually. More is received from British possessions (presumably Canada) than from all other sources.

Products of the Forest and Allied Manufactures

TIMBER



THE average annual value of wood and timber imported by the United Kingdom is \$1,250,000,000. The largest import from Canada is associated with sawn or split fir, pine, and spruce, which was valued at \$13,000,000 in 1914-15 (fiscal year). The total British imports were valued at \$63,500,000, so that Canada does not supply more than one-fifth. Her chief competitors are Russia, Sweden, the United States and Norway. In normal times imports from Russia exceed \$35,000,000; from Sweden \$15,000,000; from Norway \$5,000,000 and from the United States \$8,000,000.

From the time of the earliest settlers, Canada has exported timber. Many large and prosperous firms have carried on business with Great Britain for decades past. To-day the timber business with the United Kingdom is carried on by relatively few firms. Some of the largest shippers in Canada are closely connected with British firms. They understand the business thoroughly and carry it on most profitably. From an outsider's point of view it would appear that the bulk of the sawn lumber suitable for the English market is under the control of very few dealers. It would seem that the business has been largely left with them without serious efforts on the part of a large number of Canadian lumber manufacturers to compete.

The consequence has been that with a limited supply the prices often went up on Canadian lumber, while other countries competing with Canada for the valuable British market, kept their prices reasonable and supplied sufficient quantities.

While the Commission, with its comparatively limited knowledge of a trade which has been steadily developing for many years, can hardly hope to point to any improved methods of carrying on the business, it would nevertheless conclude, on the evidence at its disposal, that if more of our Canadian dealers looked after the British trade, a much larger and more varied production at home and for exportation is bound to follow in coming years.

The situation in Great Britain is notably different from that found in France, in two important respects. First, Canadian forest products are well known; second, the difficulty of securing ocean transport is, in

normal times, comparatively slight. It is therefore easier to sell Canadian timber in Great Britain than in France.

A point of outstanding importance in connection with Canadian timber trade with Great Britain is that an evident lack of initiative on the part of our producers has denied to us the important place in the British market which is due to one of our great national industries. Few merchants are sufficiently interested to send their agents overseas to ascertain the needs and prices current in Great Britain. Many Canadian firms even do not reply, or reply carelessly, to enquiries from abroad. In fact the British merchants have found it necessary to open up agencies in Canada. They naturally attend to the needs of their own business, and it is unreasonable to expect that they should go beyond this for the sole purpose of expanding Canada's lumber trade.

Another very serious obstacle is the cost of present ocean transportation, although it must be admitted that prior to the war when occasionally rates were reasonable, we rarely tried, and more rarely still were prepared to take advantage of such opportunities in Great Britain.

Bristol, Liverpool, Manchester and the Western coast of the British Isles can absorb our entire present production without taking into account the needs of London, Hull and the Eastern coast.

The investigations of the Commission do not lead to the conclusion that pit props, railway sleepers, poles and pickets are in themselves paying items of our lumber trade. It seems, however, that they would largely help the expansion of our present sales in Great Britain. They are necessary commodities, and if customers in Great Britain must seek them elsewhere, they will also fill the rest of their orders elsewhere. Tariffs may have largely prevented us from selling doors, windows, mouldings and floorings in the French market, but this reason does not hold good for the English trade. How can Canada hope to build up an extensive export trade in these commodities, when in 1914 for instance, for the needs of our own market, our imports of wooden doors alone, from the United States totalled \$476,000? In 1915, the smallest year of the building trade for a long period, imports reached \$235,000. The doors which we import in such large quantities are exactly those which are required in England.

While this condition has lasted about four years, it is only temporary, and may very well correct itself in the near future, as prices of United States wood products have already advanced and will probably continue to do so. Of course our own manufacturers cannot expect to recapture even the domestic market, unless they are fully equipped, not only in

the manufacturing end, but also in selling organization. They should seize the opportunity which the war has created for an extension of trade.

This practically unlimited demand which will exist in France after the war, cannot possibly be satisfied by the United States. Canada should have a large share of it. If so, why not, at the same time, make a determined effort to conquer the British market? It must, however, be borne in mind that cheap production alone is not sufficient, and that large and effective selling organization, generously stimulated by advertising, is also necessary.

In the past, Norway and Sweden have competed with the United States and not without success. This is indicative of possibilities. At all events prices offered are fairly attractive.

SMALL WOODENWARE

BROOM HANDLES.—In 1912 an average of 3,400 gross were imported per month. About 1,200 gross came from Scandinavia, 700 gross from Finland, 1,100 gross from United States and 400 gross from Canada. Canadian and American handles are preferred to others, inasmuch as the wood used is more suitable. The importers will pay slightly higher prices for Canadian handles. The average price in 1914 was 12/- per gross—£1980 per month, or \$118,800 per year.

SIZES. 50" x 1½" x 1".

QUALITY. 1st, 2nd, and 3rd.

PACKING. ½ gross or 1 gross bundles, preferred in canvas wrapping.

DOWELS.—In 1913 about 68 million pieces entered Great Britain, 13 million from Austria, 14 million from Scandinavia, 32 million from the United States, 9 million from Canada. The Austrians had been gradually increasing their exportation, up to the outbreak of the war, but on account of their not having any other timber available but beech, which is not suitable for all classes of dowels, their sales were limited. Scandinavian timber is most unsuitable and their goods have always been sold as second quality. They were cheaper than the United States or Canadian product, but the goods were not sold in large quantities. United States manufacturers specialize in the dowel business, but Canadian manufacturers could probably compete to advantage if they were organized for export business. When Canadian dowels are imported they give every satisfaction. The average value of dowels imported

to Great Britain in 1913 was £1 per thousand, or \$34,000 per year.

PACKING... 3/16"	1,000	per bundle
1/8" to 5/16"	500	" "
3/8", 7/16" and 1/2"	200	" "
9/16", 5/8", 11/16" and 3/4"	100	" "
7/8" and 1"	50	" "

WASH BOARDS.—The average importation has been about 1,800 dozen per month, 50% from Scandinavia, 20% from Germany, 20% from the United States, and the balance from Canada. The reason why Canadian manufacturers have not been able to compete is that the Swedes use the Augenter Brissel machine for the corrugated parts, which the Canadians have not yet introduced. The machine has so far been made under a German patent. The average price per dozen for these washboards is 4s. 4d.—\$23,400 per annum. They are packed in bundles of one dozen by nailing battens on each side.

CLOTHES PEGS.—These goods are only made in the United States and Canada, for the reason that timber grown in other countries is not suitable. It is considered that the United States has 80% of the trade. The average yearly imports have been 902,777 gross at 2/- per 5 gross case; in all about \$90,275.

SKEWERS.—While this article is not very profitable to the manufacturer, large quantities are made in the United States, and to a certain extent in Canada, the reason being that it is necessary to use maple or hickory, and these woods are not grown in other countries.

CABINET TURNERY.—Although up to now Canada has not exported very much of this class of wood product, there is no doubt whatever that we could do a large and profitable business in this direction. Under this heading may be included Windsor legs, fore feet, spindles, couch and table legs. These goods are usually imported from Austria, Scandinavia, and Finland.

BRUSH TURNERY.—Norway and Sweden have practically all the trade. Some eight years ago one or two Canadians tried to compete but were unsuccessful. Within the last year or so prices have risen enormously and it would appear that there is a good opportunity for Canadian exports in this class of goods. The field is large and almost any kind of wood may be used.

PASTRY BOARDS.—Canada has a fair share of the better class trade, on account of having the most suitable timber, basswood. The cheaper boards, as produced in Germany and Sweden can easily be made profitably.

TOOL HANDLES.—File and chisel handles made from beech, birch and ash, mostly come from Germany, Scandinavia and the United States.

Hickory pick, sledge and hammer handles and ash hay fork and rake handles are imported chiefly from the United States. Canada is capable of producing the latter class at least. Such Canadian handles as do enter the British market give every satisfaction.

Other articles required in Great Britain are Plugs for paper mills, Rolling Pins, Spring Clothes, Clips, Towel Rollers, parts for toys such as Balls, Wheels, Reels and Picture Blocks, Tea Trays, Ladders, Coat Hangers, Knife Trays and Box Boards. Samples of all the foregoing can readily be secured by the Canadian Trade Commissioners.

The Government and the manufacturers of Canada have given much thought to this subject of small wooden goods, and it will require still much more. It is full of possibilities for our own people, who will adapt themselves readily to this work and find the material at hand.

The difficulties in the trade itself can no doubt be remedied. The country people of Canada have always, by hand, in their own home, made the very best of axe handles, toboggans, sabots, etc., all of which require ingenuity and skill—more indeed than any of the articles comprised under this heading.

Centralizing and specializing, as suggested, may be useful, but will probably not prove altogether sufficient to implant the industry of these smallwares in Canada. It could rapidly be disseminated in thousands of homes by the exhibition of models, and the assurance that the production could be sold at a reasonable price. It would be unwise to depend exclusively on the production that will result from the labour of factory hands, from obtaining large quantities of raw material, and from elaborate modern equipment. These advantages alone will not conquer and hold the business in a way profitable to the community. An appeal for the employment of the idle moments of our long winters by the people at home, who do not depend on the immediate wage payment of time occupied and material employed, might result in a large production.

To promote this idea, technical schools might be brought into co-operation, and primary schools also be organized to cultivate large production. This development would also demonstrate the value of our forest products when used in this line of industry. The marketing of this product should not involve any more difficulties than the wheat crop, the fruit crop, the fisheries, etc. When we are assured of an outlet we should not stop to doubt that the purchaser will appear.

If Canadians bear in mind that every year five times more of our forest resources go up into smoke than are cut and made use of; and that 60% of what timber we cut goes into waste, then surely it is time to face the question in as many ways as can be suggested and work hard on it.

PULP

The Pulp market in Great Britain is at present so abnormal that it is best to state in a summary pre-war conditions and the rapid evolutions which have brought about this situation.

In the first place Great Britain uses just short of 1,000,000 tons per annum and depends on foreign countries for all of this amount. The average total imported for the years 1913-4-5 including all grades (mechanical figured moist) amounted to 974,026 gross tons made up as follows:

Dry bleached chemical.....	23,185 tons
Dry unbleached	377,865 "
Chemical, moist.....	14,910 "
Mechanical, dry.....	8,355 "
Mechanical, 50% moist.....	549,711 "
	<hr/>
	974,026 tons

Of this quantity Sweden furnished 64% of unbleached chemical, Norway 12% and Russia and Germany 10½% each. Norway was the chief source of mechanical, shipping 56% as compared with Sweden 22% and Canada 12½%. The total dry weight of all grades of pulp consumed is therefore close to 690,000 tons yearly. This is used to produce 360,000 tons of newsprint and 250,000 tons printings, higher grade papers and wrapping, for which England has a considerable export market, and the balance for box-boards and so forth.

England's geographical position in relation to Scandinavia is of course favorable to the maintenance of ample supplies of pulp at prices not greatly affected by the cost of transportation in normal times. In January 1914 quotations c. i. f. British ports were nominally as follows:

Sulphite, bleached.....	£11 0s. 0d. to £12 0s. 0d.
	—\$47.79 to \$52.14 per 2000
“ easy bleaching, first quality	£8 15s. 0d. to £9 0s. 0d.
	—\$38.00 to \$39.11 per 2000
“ strong or news quality	£7 17s. 6d. to £8 5s. 0d.
	—\$34.21 to \$35.85 per 2000
Soda, unbleached, 1st quality.....	£7 15s. 0d. to £8 5s. 0d.
	—\$33.68 to \$35.85 per 2000
Soda, unbleached, strong.....	£7 10s. 0d. to £7 15s. 0d.
	—\$32.58 to \$33.68 per 2000
Kraft.....	£8 0s. 0d. to £8 5s. 0d.
	—\$34.76 to \$35.85 per 2000

At this same time mechanical wood-pulp figured moist as is the custom, was quoted c. i. f. London and other ports at from £2 5s. 0d. to £2 7s. 6d. per long ton which converted amounts to \$19.55 to \$20.64 per 2,000 lbs. Freight rates at this time from Norway were in the vicinity of 5/6 to 6/- per ton and from Sweden about 8/6. These prices underwent very little change until war broke out on August 4th. The natural anxiety that followed, together with rumours of prohibition of exports and the probable difficulties of shipping, sent prices up within a fortnight about 30% to 40% all round. However after hostilities had been in progress for a few weeks, confidence in shipping was re-established, so that the year closed with prices practically normal. In fact the year 1915 opened with considerable dullness in the market, which however disappeared within a few weeks. About the same time shipping difficulties were encountered, and freight rates started to rise to very high figures. From that time on the market was steadily advanced, and supplies have become more and more difficult to obtain. At the end of the year 1915 quotations c. i. f. British ports were as follows:

Sulphite, bleached	£20 0s. 0d.—	\$86.90	per 2000 lbs.
“ easy bleaching, first quality	£15 0s. 0d.—	65.18	“ “ “
“ strong, or news quality	£14 0s. 0d.—	60.83	“ “ “
Soda, unbleached, first	£12 10s. 0d.—	54.31	“ “ “
Soda, unbleached, strong	£12 0s. 0d.—	52.14	“ “ “
Kraft	£ 9 15s. 0d.—	42.37	“ “ “
Mechanical wood-pulp	£ 3 2s. 6d.—	27.16	“ “ “

During the present year the advance has continued all round. Sweden was not convinced of England's necessity to withhold supplies of coal, and followed by shutting off shipments of sulphite pulp except by special license. The position of the manufacturers was made rather more difficult when on the 1st March, 1916, the British Government restricted imports of pulp to the extent of allowing only two-thirds of the quantities imported in 1914. With supplies from Sweden practically cut off and Norway unable to make up the deficiency, having encountered serious labour troubles, and being handicapped by the lack of shipments of pulp from Russia, British manufacturers very naturally turned to Canada for the necessary relief. The chief difficulty in this direction however was the comparatively small amount which Canada could spare, and the problem of transportation. Some shipments have been recently made however, and it would appear that these may be expected to increase. Shipping difficulties became more pronounced, stiffening freight rates and quickly bringing about the present unprecedented state of affairs.

Comparing imports of the first 6 months of 1916 with the average of a similar period over 1913-14-15, there was a shortage in 1916 of 78,658 tons or $28\frac{1}{2}\%$ of mechanical pulp and 123,711 tons of $65\frac{1}{2}\%$ of chemical pulp. The manufacturers contended with this serious shortage by using a lower percentage of sulphite in their products and users have to be content with the resulting poorer quality. Stocks at the beginning of the year were fortunately very good. However the great demand which this condition has produced brings prices today up to the following remarkable level (July, 1916):

Sulphite, bleached.....	£47 0s. 0d. to £50 0s. 0d.	
	—\$204.22 to \$217.26 per 2000 lbs.	
“ easy bleaching, first quality	£38 0s. 0d. to £40 0s. 0d.	
	—\$165.12 to \$173.81 per 2000 lbs.	
“ strong, or news quality ..	£35 0s. 0d. to £36 0s. 0d.	
	—\$152.08 to \$156.43 per 2000 lbs.	
Soda, unbleached, first.....	£37 0s. 0d. to £39 0s. 0d.	
	—\$160.77 to \$169.47 per 2000 lbs.	
Kraft.....	£34 0s. 0d. to £35 0s. 0d.	
	—\$147.74 to \$152.08 per 2000 lbs.	
Mechanical pulp	£4 5s. 0d. to ———	
	—\$36.93 to ——— per 2000 lbs.	

These quotations are c. i. f. West Coast deliveries: East Coast quotations are 5/- to 8/- less. Present Ocean Rates are 28/- to 32/-.

Pre-war prices were certainly not attractive to the Canadian pulp mills, but it should not be taken for granted that these prices will necessarily be reverted to after the war. The whole question resolves itself largely into one of transportation; but it is quite within the bounds of possibility that the conditions which will exist in Great Britain after the war will neutralize the handicap which the Canadians have so far had to contend with. The outlook of the market for chemical pulp is of course better than for mechanical, because of the economy effected in shipping by the difference in moisture. All things being equal, the British manufacturers will undoubtedly much prefer to obtain pulp within the Empire, and at the present time this feeling is very well defined.

PAPER

During the past ten years Canada's exports of paper products, particularly newsprint, wrapping, and wood pulp board, have been developing and strengthening their position in the British market. This is another instance in which the actual distance between the two parts

of the Empire is the only drawback to a great expansion. Canada's surplus of paper is sold to the United States. Norway and Sweden are Great Britain's great outside sources of supply.

The war has made Canadian exports of pulp and paper to Great Britain almost impossible. When shipping becomes easier, the Dominion should be in a position to send over large supplies, as signs point to an expansion of the industry.

The expert of the Canadian pulp and paper trade who accompanied the Commission was able to make detailed investigations, the results of which have been made available to the Canadian firms interested.

FURS

The Commission found that while there was considerable restriction in the sale of the more expensive furs among the better class, there was a largely increased demand among the workers in Great Britain who profited by the high wages now being paid for munition work. This condition of things naturally cannot be permanent but in the meantime it largely compensates for the shrinkage which otherwise would have taken place owing to the restrictions among the more wealthy in regard to the use of furs. They also learned with satisfaction that the fur sales in London were feeling a sense of relief due to the absence of the Teutonic element, which it is claimed has had a very lowering effect upon the general character of the fur sales for some years past. The fur merchants claim that there has been, in a large measure, a return to the old standards of trade, and it is to be hoped that this condition will prevail after the war. While the Canadian fur trade is practically in the hands of two very large fur trading companies, the general effect of the sale of furs upon the country, plays an important part and affects a large number of the inhabitants. The Commission has no suggestion to offer as to improvements in this direction as it is felt that the present channels of collection and distribution are well organized.

Products of the Sea and Allied Manufactures

CANADIAN FISH



CANADA produces the following fish:—Cod, pollock, hake, haddock, halibut, cusk, skate, flounders, lobsters, salmon (five kinds, known as sockeye, spring, coho, pinks, dog salmon or chum), mackerel, herring, alewives and sardines.

Canada also has the Great Lake fish known as white fish, trout, lake herring, pickerel, pike.

The value of the fisheries of Canada annually before the war was from \$33,000,000 to \$35,000,000.

The fish chiefly exported from Canada to Europe are either salted and dried (mainly codfish), or canned.

For a number of years quantities of salmon from the Atlantic Coast, and salmon and halibut from the Pacific Coast have been sent to Great Britain in a frozen condition. This trade will develop more in the future, though it is not likely to spread to any great extent to other kinds of fish. Salmon and halibut are comparatively scarce in Europe. There is, however, in Great Britain, some prejudice against frozen fish. Since the war broke out transportation facilities have militated against the development of the frozen fish trade.

At the present time, if transportation facilities and rates were reasonable, it would appear feasible to ship large quantities of fresh fish in frozen condition from the Atlantic Coast to Europe.

There is room for great expansion of trade with Great Britain and other European countries in canned fish. There is every prospect that this form of food will enjoy greater favour in the future. This industry could be developed in Canada to any extent, as the production could keep pace with any demands made upon it. At the present time, canning of fish is largely confined to salmon, lobsters, sardines, and to a small extent, large herrings, cod and haddock. The demand for canned salmon in Great Britain and France is growing rapidly. Up to a year or two ago there was very little inquiry for other than sockeye salmon, but now there is a good demand for cohoes and pinks.

The following is a statement of the exports from Canada to Great Britain, Italy and France for the fiscal year 1915:—

	Great Britain	Italy	France
Dried Cod, etc.	12,411 cwts.	52,055 cwts.	....
Green Salted Cod,			
etc.	13,360 “	....	....
Pickled Herring	30,651 bbls.	....	....
Smoked “	4,950 lbs.	....	....
Canned “	590 cwts.	....	5,500 cwts.
Lobster, canned	2,815,158 lbs.	....	1,396,909 lbs.
Salmon fresh	854,429 “	....	....
“ canned	25,385,101 “	....	1,188,816 lbs.
“ smoked	1 cwt.	....	....
Halibut, fresh frozen	1,940 cwt.	....	....

It must not be forgotten that Newfoundland is a great competitor with Canada, in the supplying of European markets with dried fish.

The Commission has noted that every dealer in Canned Goods who gave evidence expressed the strongest desire to give Canada a preference. All were in favour of tins and cases being stamped “Canada.”

The imports of all kinds of fish into Great Britain are roughly \$20,000,000 a year. Until recently no attempt was made by Canada to export fish other than canned.

CODFISH AND OTHER DRIED AND SALTED FISH

The outlook for Canada's trade with the United Kingdom is not encouraging. The hundreds of British craft, their ports only a few miles off the fishing grounds, and the cutting off of the enormous German demand for pickled herring, will make it most difficult for Canada to sell dried cod, pickled and smoked herrings in the British market.

Before the war, selected salt cod sold at £16 to £20 per ton, and in 1916 they were £25 to £30 per ton—less than seven cents per pound. Herrings are supplied so cheaply along the Scottish coast that it seems useless for Canada to try the British market.

Even in the fine qualities of boned salt cod in small boxes, we could not hope to do much trade except by a costly advertising campaign. It might be possible to place the boneless cod, small boxes, and the 100-lb. boxes of skinless cod, as described on page 90, but it would be an experiment.

Canada might help to supply cargoes of cod for Britain's export trade to the Mediterranean. These fish cargoes are from 300 to 500 tons. The fish are packed in casks of about 448 lbs., sizes of fish are from 12 to 18 inches long; large sizes are 18 to 30 inches long, packed each size in separate casks.

DIGBY CHICKENS.—These are a fine quality Bay of Fundy smoked herring. They are known in Glasgow, Liverpool and a few other places, but are slow sellers. These fish are packed in small boxes of 4 lbs. net, about 30 fish to a box. St. John, N.B. and Halifax, N.S. are the principal points of origin.

FROZEN FISH

As has already been reported by the Canadian Trade Commissioners in England, the demand for Canadian frozen salmon and halibut is steadily increasing. Unfortunately it has not been generally known that this class of Canadian fish is procurable during the winter months. This is due chiefly to the fact that English dealers have sold the Canadian fish as "English," with the result that the consumers' demand ceases as soon as the English fresh fish season is over. Certain difficulties stand in the way of launching a general advertising campaign in the interests of Canadian fish. Some means, however, would appear to be necessary to secure to Canadian producers the market which the taste of the British public naturally affords.

Vancouver and Prince Rupert ship halibut in 300 lb. cases and salmon in 260 lb. cases.

Dealers in Hull, Glasgow, and other cities speak highly of the quality and style of packing of Canadian salmon.

An inspection custom prevails which presses unduly on imports of frozen salmon into the United Kingdom. The Board of Fisheries decreed that all cases of Canadian fresh salmon landing in Britain between September 1st and February 1st must be opened and examined by the officers of the Fishmongers' Board. An officer must go to Glasgow or any entry port, open the cases, examine the fish and place a seal on each individual fish, as a proof that it is of Canadian origin. The Glasgow Fish Dealers' Association complained of cost, etc., of this inspection, as follows:—

"Apart from the financial cost, the handling of frozen fish while in cold storage in the way of opening the boxes, unpacking the fish for sealing, and again wrapping up and packing the fish, tends to a rapid deterioration of the goods, and on this account alone is open to grave objection and should be avoided if at all possible."

The London Fisheries Board replied May 25th, 1916:

"The suggestion made by the Glasgow Wholesale Fish Dealers' Association, that the packages and not each individual fish be sealed, would not protect the retail fishmonger when the packages are broken at the market and the fish sold separately. A whole case of fish is very seldom bought by one fishmonger and in practice he prefers to have the proof of origin and the protection afforded by the seal affixed to each fish.

"These conditions do not apply to fish entered for re-exportation to the Continent. It is then sufficient if the case itself be sealed.

"The opening of the cases and the separate sealing of each fish necessarily involves some addition to working expenses, but the total cost, including the low charge for sealing of one penny per fish, cannot appreciably affect the profits of the consignment, nor is it to be anticipated that the handling of the fish would affect its quality or lower its market value."

It has been suggested that fish packers in Canada have a small metal shield $\frac{1}{2}$ inch long, marked "Canada" attached to each salmon when packed. These shields, made in 50,000 lots, would cost very little. This would save the penny paid in the United Kingdom, and would avoid the opening of cases in Britain.

The following extract from a letter received by this Commission is of interest:—

"We think the suggestion made, namely, that a metal disc might be affixed to the salmon by the packer in British Columbia, might meet all the needs of the case, and we trust you will be able to have the matter put on a satisfactory footing with the British authorities so that these sealing restrictions may be done away with."

The Commission thinks it wise to remove all restrictions that are vexatious, and hopes the British Columbia Government will consider the suggestion made in the above letter.

There is a great future for the trade in canned and fresh salmon with Great Britain, France and Italy, and every effort should be made to facilitate trade.

While the Commission was in London, the question of supplying frozen fish to the British Army was under consideration.

One of the Commissioners, who is well informed in the subject, took steps to help remove the objection of the military medical authorities.

It is gratifying to note that since the return of the Commission, a large contract has been placed by the British War Office for a supply of Canadian frozen fish. It is to be hoped that a very large trade may be developed after the war in Great Britain and elsewhere.

CANNED FISH

English dealers expressed a definite favorable opinion as to the good quality of Canadian canned salmon. One firm, which may be taken as representative of the English trade, stated that they "only buy Canadian packed salmon and have had no complaints." "We generally buy fifty per cent sockeye, fifty per cent pinks."

SARDINES.—The same firm said "We cannot sell the kind in mustard. We buy the other kind in oil." "Must not be over four inches long, and have key tin." This firm complained that "some Eastern Canadian kinds of sardines are inferior in quality and style." Another firm said "We prefer the key sardines. Canadian fish are not small enough. They are not clean and the oil is poor. We prefer 8 oz. tins, not 16 oz."

Canadian exporters of sardines should get full information on the legal definition of "sardines." There is a good market, as the imports are \$3,500,000 per annum, the countries of origin being Norway, France and Portugal. Much money is spent on advertising, and competition is keen.

CANNED HERRING.—A dealer in Birmingham said that his city could distribute 30,000 to 40,000 cases per annum. The tins should be oval, the fish six to seven inches long. This dealer now buys in Norway. The cases should be of 100 tins of half-pound size.

CANNED LOBSTERS.—A dealer in Liverpool, who is prominent in the trade, stated that he "buys lobsters from Prince Edward Island, one-quarter pound, one-half pound, and a few three-quarter pound. The quality does not improve and is not equal to the Nova Scotian." He complained about the "blue shade" in Prince Edward Island lobsters, claiming to have had some in late arrivals. From him and others the Commission learned that large quantities of canned lobsters were imported from Eastern Canada and reshipped to France. One Liverpool firm stated that "lobsters are all right, no blackness in tins." Japanese crabs, neatly canned, are selling freely in England. They are cheaper than Canadian lobsters. It should be especially noted that all tins containing fish should bear the word "Canada."

FISH OIL

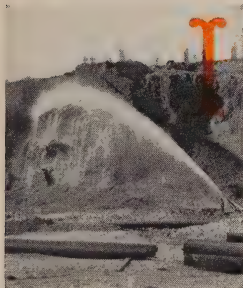
Notwithstanding her large fishing fleet, Canada is behind Norway, Newfoundland and even Japan in supplying the United Kingdom with fish oil. Since 1913 Norway and Japan have very much increased their exports of fish oil to the United Kingdom, but Canadian exports have decreased.

The Board of Trade returns indicate that larger quantities of fish oils are received from Newfoundland than from Canada, due probably to the former's exports of seal oil.

Several buyers of COD LIVER OIL were recently introduced to a firm in Nova Scotia. Prior to the war supplies were obtained largely from Norway, but a great shortage has accompanied the conditions of war. Newfoundland has exported large quantities during the last eighteen months to the United States and Great Britain. It is a trade worth the attention of Canadian producers, but it would have to be organized on a proper basis so as to ensure a product acceptable to the medical profession.

Products of the Mine and Allied Manufactures

METALS—MINERALS



IN Great Britain the Commission found there were on every hand many enquiries for Canadian metals and minerals. There was a distinct desire on the part of the British merchant to import Canadian products; but it was mentioned that a deterrent feature in the past had been the fact that almost the whole Canadian output of metals had been sent to the United States for smelting and refining. The hope was expressed that this condition might be remedied.

MAGNESIUM METAL.—It is gratifying to note that since the outbreak of the war, Canada has solved the problem of making magnesium metal from her abundant stores of magnesite. The problem was attacked with vigor in the early part of 1915, and by June of that year magnesium metal of a grade testing 99.5 was being produced and shipped to Great Britain and her Allies. It is produced by the electrolytic process, and in view of the fact that Canada possesses abundant water power and enormous resources in good magnesite, there is every possibility of the establishment of a permanent and growing trade. Apart from the fact that the metal is used in shrapnel shells, starlights, etc., it has also been found that it alloys with other metals in such a way as to assure its increasing use in the future, and it is impossible to gauge the value of its employment in this direction.

ASBESTOS.—One of the leading articles for which enquiries were made was asbestos, and there is no doubt that the development of the trade in this mineral can be widely extended. Not only do the British importers require the crude article, but they ask for manufactured products such as asbestos packing, asbestos sheets, gloves, shingles; in fact every form of manufactured asbestos.

The Commission found that large quantities of asbestos fibre and crude asbestos has hitherto been shipped to Germany, where it has been converted into a variety of manufactured articles which were exported largely to France and Great Britain.

The rapid expansion in the shipments of asbestos from Canada between the years 1910 and 1914, is a certain indicator of the acceptability of Canadian asbestos in the British market.

When the Commission visited a paint and varnish factory in Hull they were shown a varnish building which had been roofed with asbestos shingles manufactured in Montreal. The proprietors stated that the Canadian asbestos shingles had given great satisfaction and they were well pleased with the product.

ANTIMONY.—Great Britain is a large importer of this article, and as Canadian mines are now able to produce a much improved quality, there should be an opening after the war for large quantities of metal and oxide.

TUNGSTEN.—Repeated enquiries were made for this article either in the form of metal or concentrates, and willingness was expressed to contract for large quantities. As Canada has many sources of wolframite and scheelite there is every encouragement to develop the output.

Canada's chief competition will come from the Burmese mines where the labor is cheap. On the other hand there are difficulties of transportation which will in some measure offset this advantage.

COBALT.—In consequence of the recently discovered improved processes for the use of this metal in electro-plating, and as an alloy of steel and other metals, there was much interest displayed as to the possibility of getting supplies from Canada.

As the Dominion is particularly rich in cobalt, it is to be hoped that the Canadian producers of the concentrates will be able to establish a satisfactory trade with Great Britain.

GRAPHITE.—Many enquiries were made for this mineral. As the deposits in Canada are widely scattered, it remains to be seen whether a profitable trade can be established in face of the competition of the Ceylonese, Japanese and Italian products, which are placed on the British market at very low prices. There is no doubt that offers of the article from Canada would be welcome in Great Britain and business would be possible provided price and quality were right.

CORUNDUM.—The Commission met with a demand for this and other abrasive materials in every important centre. Possibly it may be worth the attention of the electric water power industries to consider the question of producing abrasive material suitable for the British market.

MAGNESITE.—Quebec can produce enormous quantities of this mineral, and during the past two years has shipped very large quantities to the United States. Great Britain would be a good customer, but it would have to be borne in mind that not only would the competition of Hungary and Greece have to be met, but also that of British India, whence large supplies go to Great Britain at low prices. Fortunately the quality of the Canadian magnesite is very good and should command full market prices.

CHROME IRON ORE.—One firm of chemical manufacturers would be prepared to handle this ore in lots of 500 tons, provided it contained 50% chrome, but judging from past experience it is to be feared that the grade of Canadian chrome ore would not generally meet this requirement.

MICA.—In many centres mica was enquired for. In the Manchester districts there were enquiries for Canadian mica in powder. The statement was made, however, that the article hitherto shipped had not been satisfactory, the article not being ground sufficiently fine. 200 mesh ground mica is largely used in the Manchester district, and the principal source of supply up to the present has been India. Some criticism was offered as to the quality of Canadian mica, the opinion being expressed that some of the smaller shippers had forwarded goods which had not been properly graded, and generally the article was in bad condition. There should be more agreement as to qualities, it was claimed, and standards should be rigidly maintained. Buyers stated that the Indian mica business is very thoroughly organized and seems to give complete satisfaction. Complaints were also made of want of regularity in shipments on the part of some Canadian shippers. At the same time it was admitted that the quality of Canadian Amber Mica was second to none, and many of the importers are of opinion that if the exporters would organize a system on the lines of the Indian shippers, a largely increased and profitable trade in Canadian mica could be developed. It was remarked that apparently much of the Canadian mica that reaches Great Britain arrives through the United States. Enquiries in the Manchester district were also made for hard micanite plates, white micanite and flexible micanite. The Department of Trade and Commerce can show samples.

MOLYBDENITE.—The demand for this commodity was general. Canada possesses a considerable quantity but it is rather widely distributed and the chances are that in order to secure the best results, the trade would have to be well organized. Still, the high prices that the ore would realize makes the question of developing a trade one well worthy of serious consideration.

ZINC.—Canada has a great opportunity to secure a share of the British demand for this metal, now that a workable system has been evolved by which our low-grade ores can be commercially handled. It would appear that Great Britain will be a good customer when the war is over.

NICKEL.—The Commission found demands for nickel in all countries visited, chiefly for the hardening of steel; but some of the smaller buyers stated that they had difficulty in getting supplies and desired a better medium for obtaining their requirements at more favorable prices. In

some cases in the larger centres the buyers seemed to be contented with their position, but stated that they were large buyers in general, and would prefer to do business direct with Canada.

STRUCTURAL STEEL

Structural steel is not yet rolled in Canada. It is imported from the United States and Europe; the large Canadian firms secure 50% from the United States and the balance from Belgium and Luxemburg. War conditions have altered the situation for Canada.

The principal difficulty is that of freight rates. It is necessary to secure a special rate from Pittsburg to seaboard via Montreal in order to secure the steel at a competitive price.

The second difficulty arises in the cost of conversion. Can Canadian steel workers manufacture their steel as cheaply as their American, French and Belgian competitors?

ENGINEERING STANDARDS.—Canadians at the present time use "American practice," and in order to secure the European market the engineers of the Dominion must, in any event, conform to European standards and practice.

There is a prejudice against American workmanship. The British is considered to be much better, and in the case of American steel practice it is often a question whether it is better to "scrap" or to repair.

Canadians must not expect to educate the British purchasers in a matter in which the latter have had vast experience.

The Canadian bridge firms should take a share of the world's business which is controlled in Britain. At the present time the Germans hold the great steel producing areas in France and Belgium, and have, therefore, changed the world situation. It is to be expected, however, that the large contracts for steel work will be let in England rather than in America. Possibly Russia, China and some other countries might prove a better market for Canadian steel manufacturers.

As Canada in this branch of industry is generally considered not to have reached the highest standard, the Canadian producers must naturally expect more rigid inspection than the British manufacturer.

It will probably be necessary to form groups to sell the different classes of steel work, such as locomotives, rails, structural steel, etc.

MANUFACTURES OF IRON AND STEEL

A largely increased production in the United Kingdom of most manufactures of iron and steel is anticipated, more particularly if protection should be introduced. It seems certain, however, that this

increase cannot replace the vast imports previously obtained from both Germany and Belgium, and that very large supplies must still be imported.

In the manufacture of iron and steel Canada must be prepared to meet the competition of those countries where the industry is thoroughly developed and elaborately organized.

There are possibilities for billets, bars, angles, and similar heavy material.

Small quantities of steel rails have been imported from Canada in the past, but apparently competition with Continental Europe was the chief obstacle to a larger development of the trade. The requirements of British railway companies and the municipalities are increasing year by year, and Canadian manufacturers might find it profitable to devote more attention, particularly to street car rails, which hitherto have been imported mainly from Belgium and the United States.

Birmingham being an important centre for the manufacture of bedsteads, there is a considerable demand for bedstead component parts. Samples have been sent the Department of Trade and Commerce, Ottawa, for the inspection of Canadian manufacturers. The names and addresses of buyers also have been given. Steel angles are required in lengths ranging from 2 ft. 6 in. to about 6 ft. 2½ in., and may be either square or round back, but they must be in straight lengths and true to gauge which might be anything from 10 to 12. Flat Steel is required in long bars of about 15 ft., or short lengths of 2 ft. 1 in. Welded tubes, rounds and flats, springs and knobs are also in demand.

BOLTS AND NUTS, especially those used in the construction of railway rolling stock, are imported in large quantities, the chief country of origin being the United States. A fairly representative range of samples has been forwarded to the Department of Trade and Commerce, Ottawa, special attention being drawn to the thread, which differs in structure from the American thread. British imports are valued at about \$600,000 per annum.

WIRE

In its investigation on the subject of Wire, the Commission had the benefit of the counsel of some experts who have had over twenty-five years' experience as sellers to home and export houses, and who have collected information over that period from an exceptional selling connection. Further, these experts were in a position to furnish technical data and actual samples of classes of goods required.

The demand for wire of many kinds is very large in Britain at the present time owing to the fact that prior to the war Germany largely

supplied the requirements. The result of the absence of such an important producing factor is that the demand greatly exceeds the supply.

On the assumption that there will be a continuance of this condition it is obvious that a very favourable opening exists for the furnishing of wire from Canada.

In this connection the greatest emphasis should be laid upon the fact that Canadian goods are always heartily greeted by British consumers and if Canadian manufacturers will give serious attention to the British market, they may rest assured of the best possible relations with the Motherland.

COPPERED STEEL WIRE

for making spiral springs for upholstery is very greatly in demand. This wire is tempered, and must possess resiliency and hardness, and yet sufficient pliability to allow the end of the wire in the spiral to be twisted around the top circle in a small loop to bind it. Otherwise another piece of metal must be used to hold the loose end.

There are from twenty to thirty large manufacturers of springs who can take this class of wire in great quantities. One of them writes: "We should welcome any efforts on the part of Canada to manufacture this class of goods, and should be pleased to do anything to assist, either by supplying samples of wires of all gauges, as well as any information from our experience of the past twenty-five years, in the making of springs." The gauges of wires required in the trade are as follows:

*Nos.	Inches	Millimetres	*Nos.	Inches	Millimetres
7	.176	4.470	11	.116	2.946
7½	.170	4.317	11½	.110	2.793
8	.160	4.064	12	.104	2.641
8½	.152	3.860	12½	.098	2.489
9	.144	3.657	13	.092	2.336
9½	.136	3.453	13½	.085	2.158
10	.128	3.251	14	.080	2.032
10½	.121	3.073			

*Imperial Standard Wire Gauge

PACKING.—Catch weight coils of about 24" internal diameter, wrapped with waterproof paper and canvas.

GAUGES.—7 to 9 are considered basis, and are all one price. The thinner gauges are subject to extras, increasing in amount as the gauge becomes smaller. Half gauges are usually sold at the price of the next thicker gauge, thus $10\frac{1}{2}$ would be charged as 10, $12\frac{1}{2}$ as 12, and so on. It is always necessary for manufacturers to state clearly their extras.

Samples of the wire required are in the hands of the Department of Trade and Commerce, Ottawa, and can be seen by manufacturers.

Much of this wire was of German manufacture. A big firm of spring makers report that they hold a permanent stock of wire of American, Scotch and English make. They have a little of the wire supplied in former times by Germany, and speak of this as the most suitable material. Canadian manufacturers will do well, therefore, to make every effort to supplant the German commodity. Sizes bought—7, 8, $8\frac{1}{2}$, 9, $9\frac{1}{2}$, 10, 11, $11\frac{1}{2}$, 12, 13, 14, Imperial Standard Wire Gauge.

WIRE FOR PRODUCTION OF HEXAGONAL NETTING

The very great shortage of this class of material in Great Britain is primarily due to the very large capacity of the netting mills, and secondarily to the fact that there was, prior to the war, a reciprocal arrangement between German wire manufacturers and English netting manufacturers whereby wires grading from 16 gauge to 22 gauge (by halves) were not made in the United Kingdom, but in Germany, and no netting was made in Germany. The Germans always liked arrangements of this kind.

The great part of the netting manufactured in Great Britain was exported to Australia for use in fencing fields against rabbits. In this connection it might be noted that the Australian Government has placed the Australian manufacturers of netting in a particularly favourable position by making special concessions to this industry.

The wire should be a well-annealed, soft, weavable wire, round and free from annealing furnace smoke, and clean and free from grease or tar. It is supplied in the following gauges, of which the equivalents in millimetres are subjoined, from $14\frac{1}{2}$ to $22\frac{1}{2}$ Birmingham Wire Gauge, showing the latitude in millimetres allowed under each gauge. The millimetre

sizes given are not the mathematical equivalents, but are those supplied uniformly by makers, and required by consumers.

Nos.	Millimetres	Nos.	Millimetres	Nos.	Millimetres
14 $\frac{1}{2}$	1.80-1.86	17 $\frac{1}{2}$	1.21-1.28	20 $\frac{1}{2}$	0.83-0.88
15 $\frac{1}{2}$	1.62-1.66	18 $\frac{1}{2}$	1.03-1.10	21 $\frac{1}{2}$	0.75-0.78
16 $\frac{1}{2}$	1.42-1.45	19 $\frac{1}{2}$	0.90-0.93	22 $\frac{1}{2}$	0.62-0.64

Seventeen and a half is considered as basis price, and the standard extras are as follows:—

14 $\frac{1}{2}$	15 $\frac{1}{2}$	16 $\frac{1}{2}$	
15/-	10/-	5/-	per ton less than 17 $\frac{1}{2}$
18 $\frac{1}{2}$	19 $\frac{1}{2}$	20 $\frac{1}{2}$	21 $\frac{1}{2}$
10/-	20/-	30/-	40/- 60/- per ton more than 17 $\frac{1}{2}$.

The wire is supplied in catchweight coils, and each coil must consist of one homogeneous length or vein of wire. Works should state the internal diameter of the coils they can supply, and also the minimum weight of coils, to consist of one length only.

The wire is usually supplied unpacked, i. e., without protection, as a slight trace of rust is not detrimental. However, the finger gauges are frequently packed in 10 cwt. casks which are charged for extra at cost.

The extra sliding scale shown in the prices above is the one in force practically universally among German makers, and at present is the one understood in the trade and by consumers.

Canadian manufacturers will find the market for wire in Britain very large, and supplies will be very welcome. Evidence of this comes in a statement from the largest consumer of wire netting in the United Kingdom (contractors to War Office, Admiralty, Home Office, London County Council) who say that they will welcome the Canadian supply and will be happy to send specimens of standard make in various sizes. This firm's consumption runs into many thousands of tons annually.

HAIR PIN WIRE

From 5,000 to 6,000 tons per annum of this wire is consumed in Britain, and supplies have been largely cut off through the war.

This is moderately soft, self-colour steel wire. It must not be too hard and springy, but must unwind flat from the coil. It must be truly round, true to gauge, and stand bending without breaking. An oval

or flat tendency in the shape in section is fatal to working. The gauges taken are in Birmingham Wire Gauge.

Nos.	Millimetres	Theoretical Extras per Ton of 2240 lbs.	Nos.	Millimetres	Theoretical Extras per Ton of 2240 lbs.
17	1.42	5/-	21 $\frac{1}{2}$	0.76	55/-
17 $\frac{1}{2}$	1.32	...	22	0.71	55/-
18	1.22	5/-	22 $\frac{1}{2}$	0.66	65/-
18 $\frac{1}{2}$	1.12	15/-	23	0.61	65/-
19	1.02	15/-	23 $\frac{1}{2}$	0.58	107/6
19 $\frac{1}{2}$	....	25/-	24	0.56	107/6
20	0.91	25/-	24 $\frac{1}{2}$	0.53	147/6
20 $\frac{1}{2}$	0.86	35/-	25	0.51	....
21	0.81	40/-	...	....	....

The wire is packed in cases of about 10 cwt. each, waterproof paper lined. Casks are charged in the price. The wire is required in catch-weight homogeneous rings of as long lengths as possible, and it is very desirable that each ring should be separately paper-wrapped.

As concerns the millimetre sizes given above, which will be found to differ from the actual equivalents of the Birmingham Wire Gauge, it should be noted that these are the ones supplied and understood. The remarks made concerning these sizes, and the extras in price mentioned in connection with netting wire, equally apply.

Samples of this kind of wire are in the hands of the Department of Trade and Commerce of Canada.

It is interesting to note that one firm at least in Great Britain reports the receipt of large quantities of this wire from Canada. Since this is true, and the demand is so large, the possibilities for an extension of this trade are at once evident. This is particularly true as the firms supplying samples expressed themselves as happy to foster Imperial trade in any way possible. The wire was formerly obtained from Germany as the industry in that country was especially laid out for its manufacture.

GALVANIZED HEXAGONAL WIRE NETTING

The details of galvanized hexagonal wire netting, as supplied for the British home trade consumption, and for export outside Europe, are as follows:—

The following size meshes, gauges and widths are supplied:—

Mesh in inches.	Gauge (I.S.W.G.)
$\frac{1}{2}$	22, 20, 10
$\frac{5}{8}$	22, 20, 19
$\frac{3}{4}$	20, 19, 18
1	20, 19, 18, 17, 16
$1\frac{1}{4}$	19, 18, 17, 16
$1\frac{1}{2}$	19, 18, 17, 16
$1\frac{5}{8}$	19, 18, 17, 16
2	19, 18, 17, 16, 15, 14
$2\frac{1}{2}$	19, 18, 17, 16, 15
3	19, 18, 17, 16, 15, 14, 13
4	17, 16, 15, 14

All the above are supplied in rolls of 12, 18, 24, 30, 36, 42, 48, 70 and 72 inches in width.

Equivalents of above gauges (Imperial Standard Wire Gauge) are:—

Nos.	Inches	Milli- metres	Nos.	Inches	Milli- metres	Nos.	Inches	Milli- metres
22	·028	·7109	18	·0485	1·218	15	·072	1·828
20	·036	·9140	17	·056	1·421	14	·080	2·032
19	·040	1·016	16	·064	1·625	13	·092	2·336

The netting is galvanized after making, and the gauges stated above are those of the finished, i.e., galvanized, article.

Rolls contain 25, 50 or 100 yards, but usually 50 yards are called for.

PACKING.—No packing is required, but for consumption in the United Kingdom the netting must not be too tightly rolled. For export overseas it must be rolled as tightly as possible, to economize freight,—black tar paper must be rolled under the last lap of the netting both for British home trade consumption and export.

Netting which gauges exactly, and with exact size meshes is called “Standard Weight,” but usually a netting about half a gauge thinner than normal is required. This applies to the home trade especially. Full gauge, i.e., “Standard Weight,” should only be supplied when specifically ordered.

Every size mesh, gauge and width has a standard gross price, and quotations are in the form of a discount off such prices.

The firm supplying the above information adds that it is hardly to be assumed that Canada will for some time be able to place this article on the market; but the great demand for it, coupled with the fact of its being a line in which Germany very successfully competed, warrants its inclusion as an item of interest.

MATTRESS WIRE

This is supplied in two descriptions, tinned and galvanized, in 17 to 26 Imperial Standard Wire Gauge.

Equivalents in decimals of an inch and decimals of a millimetre are:—

Nos.	Inches	Millimetres	Nos.	Inches	Millimetres
17	.056	1.42	22	.028	.71
17½	.052	1.32	22½	.026	.66
18	.048	1.22	23	.024	.61
18½	.044	1.12	23½	.023	.59
19	.040	1.02	24	.022	.56
19½	.038	.96	24½	.021	.54
20	.036	.91	25	.020	.51
20½	.034	.86	25½	.019	.48
21	.032	.81	26	.018	.45
21½	.030	.76	...	....	...

The basis includes Nos. 17, 17½, 18, 18½, 19, 19½ and 20, that is to say that all these sizes are supplied at one price, and all others are charged at an extra.

The usual extras are as follows, and firms should state whether they accept these extras, or require different ones, and, if so, what.

17/20 20½ 21 21½ 22 22½ 23 23½ 24 24½ 25 I.S.W.G.

basis -/6 -/6 1/6 1/6 2/6 2/6 3/6 4/6 6/6 8/6 extra per cwt.

Mattress Wire should be packed in casks—oil casks, well dried. Preferably, casks should be pitch paper lined, and each coil separately wrapped with waterproof paper.

The ring diameter usually required is 12" and 18" external. Works should always state what diameters they can supply, and customers always what they require. Coils should average about 56 lbs. each, and not contain more than 3 homogeneous lengths in each bundle.

There is a distinct shortage of mattress (tinned steel) wire. The price before the war was 21s. per cwt. c.i.f., and in midsummer 1916 it had risen to 100s. per cwt. c.i.f.

A sample of the class of wire required is in the Department of Trade and Commerce at Ottawa.

NAILS

There has been a very great shortage of wire nails in Great Britain since the outbreak of the war. While cut nails are manufactured in large quantities in Great Britain, there are practically no firms making wire nails. Germany practically ruled the market with prices which excluded competition. Before the war the German nails were selling at 5/9 per cwt. (112 lbs.) f. o. b. Rotterdam, less 3% thirty days. Soon after the outbreak of the war when the supplies were low, some of the Canadian nails came on the market, the price being 8/6 c. i. f. Manchester. At the time of the Commission's visit (June 1916) the price was 30/- per cwt. c. i. f. in bags.

In Great Britain the agent of a Canadian wire nail manufacturer has sold as much as 6,000 tons of nails in three months. This agent expects that this volume of trade will be permanent as he sees no reason for supposing that British firms will enter extensively into the manufacture of wire nails, and as German nails will be ruled out of the market. British consumption of German nails was about 56,000 tons per annum.

Canadian manufacturers must undertake to consider carefully certain peculiar points in the manufacture of nails, as the British public is rather particular about details of finish. It will not do, for instance, to have the nail of a dull colour; it must be bright. Again, peculiarities of checkered heads, countersink heads, pointing, etc., need particular attention. If these requirements can be met, there should be little difficulty in securing a large market. One dairy company selling butter, margarine, etc., buys 600 tons of nails per annum.

CUT NAILS are not available in any large quantity at the present time, and there is a possibility that Canadian manufacturers might get into this market. However, it should be borne in mind that there are hundreds of manufacturers of this class of nail, while there are only three or four manufacturers of wire nails.

WROUGHT NAILS came from Norway and Sweden. Under an arrangement with German syndicates, as of coal, coke, steel, etc., the Germans would allow rebates to the Norwegian manufacturers on raw material if invoices could be produced showing that the product had been exported from Norway. This is just one instance of the far-reaching ramifications of the German system.

Some consumers fear that there will be "dumping" after the war, and certainly the tremendous development of the German wire industry gives colour to this belief. The contrary opinion is, however, held in very well-informed quarters.

There is a market for $\frac{1}{2}$, $\frac{7}{8}$, number 18 and 19 shoe rivets, and all other shoe rivets and small nails. Cap tacks are also in demand.

OTHER METAL GOODS which Canada might export to Great Britain are hoops, steel shafting and tubes.

Britain had a very large trade in cold rolled hoops with Germany. This commodity was in large demand in Great Britain for hide and wool baling, packing case making, etc.

The chief gauges and widths are:

$\frac{1}{2}$ "	wide	x	29	gauge
$\frac{5}{8}$ "	"	x	28	"
$\frac{3}{4}$ "	"	x	26	"
$\frac{7}{8}$ "	"	x	26	"
$\frac{7}{8}$ "	"	x	24	"

The metal should be coiled in catch-weight coils of about 56 lbs. each.

The Department of Trade and Commerce has a sample of the class of goods required. It is of United States origin brought in to supply the demand formerly filled by Germany.

TUBING, butt-welded and lap-welded is required. Acetylene welding in tubes is not popular, as sometimes under a heavy wrench the tubing will split. Canadian manufacturers might to advantage investigate the possibilities of exporting seamless tubing which has an ingot iron base.

It is most desirable that Canadian manufacturers should be more particular in the details of manufacture. There should be, for instance, a square edge on the socket in tubing. The London County Council length of socket is the safest to make, as it is longer than the ordinary. While the taper thread is favoured, the plain thread also finds acceptance where the workman takes a pride in the job. The length of tubing is an important factor; 14 to 16 feet is ample. The lengths required are those up to 6 feet, 6 to 10 feet and 10 to 16 feet.

Samples of the approved make of tubes can be obtained for the use of manufacturers in Canada if desired.

PROFILE IRON (Mannsted) for use in conservatories, etc., can find a market.

Britain at one time exported rolled rods, billets and bars, but the export has fallen off.

The market for structural steel, sheets, plates, etc., while open at the present time, is a large problem, and is dealt with in part under the special heading of "Structural Steel" following.

The question of protection of Canadian industry after the war enters very extensively into the whole situation, and will largely determine the extent to which export will be possible.

CHEMICALS, ETC.

(Manufactured from various natural resources)

At the time of the visit of the Commission to Great Britain most of the chemical factories were fully occupied in dealing with the demands of the British Government for munitions, and it was only with difficulty that supplies of even ordinary chemicals could be secured. There is evidence on every hand, however, that not only are British manufacturers determined to maintain their position after the war, but also to take steps to provide within the Empire for the manufacture of many articles hitherto procured from Germany or other countries.

Canada may look to Great Britain in future for many things which have hitherto been obtained from Germany or the Central Powers generally.

On the other hand, Canada will undoubtedly find a very much larger market for many of her products. In the branch of chemicals the products of wood distillation will figure largely.

There is now and likely to be for some time a large demand.

ACETONE—This has either been procured in large quantities hitherto from Germany, or made locally. It is quite probable that there will be a large demand for acetate of lime and acetate of soda for the purpose of making acetone in England. There is bound to be an increasing demand for ACETIC ACID in Great Britain, especially the Glacial 99%. Steps are being taken to produce this in Canada, and a valuable ready market will be found not only in Great Britain but in many of the British Dominions.

CALCIUM CARBIDE.—The demand for this seems to be growing. Fortunately our manufacturers seem to be able to meet all requirements. The trade is apparently so well organized that the Commission received few direct enquiries, but the article was frequently mentioned.

GLUCOSE.—Enquiries were made for Canadian Glucose, and if our manufacturers can offer to advantage there is an opening in the Manchester district.

FORMALDEHYDE is needed in Great Britain; an increased demand may be looked for.

WOOD ALCOHOL is also in demand. Doubtless after the war there will be a large outlet for this product in Great Britain.

It is interesting to note that manufacturers in Great Britain are enquiring for a great many raw products which would enter directly into the manufacture of chemicals in Great Britain, as, for instance, chrome ores, magnesite, etc.

LACTIC ACID.—This article was previously imported in large quantities from Germany. It is extensively used technically, and there is a good demand in Great Britain.

BRONZE POWDERS.—Canada is fortunate in being able to produce these, as there are demands in Great Britain.

The position today is that there is an assured trade for many years to come. In fact, there seems to be no limit for the possibilities of Canada's activity in this direction, and a growing output is an assured condition of the future.

Other Manufactures

MACHINERY, TOOLS, IMPLEMENTS, ETC.

Up to the time of the war the United States and Germany were the chief suppliers of Machinery, Tools, Implements, etc., in the ratio of about two to one, and since then the United States have captured practically all Germany's trade.

It is therefore a question of Canada's ability to compete with the great factories to the south of her. The total imports of machinery by Great Britain in the fiscal year 1914-15 were approximately \$33,000,000, of which only \$500,000 worth came from British Possessions. During recent years, Canada has considerably increased her exports of machinery (excluding agricultural) but very little of that increase is registered in her trade with Great Britain. On the other hand, imports of Canadian agricultural implements rose from \$200,000 in 1912-13 to \$300,000 in 1914-15. Germany was undoubtedly gaining a strong foot-hold in the British market for agricultural machinery, as her sales rose from \$30,850 in 1908 to \$135,000 in 1913.

Prior to 1914 sales of Canadian implements and tools were on the decline, having fallen from \$120,000 in 1911 to \$58,000 in 1914, but in 1915 they increased to over \$130,000. There is a good market for drills, hammers, saws, pincers, awls, chisels, etc.

TOOLS.—An importer in Birmingham told the Commission that many American tools are made from blanks furnished by Sheffield. From another source in Birmingham it was learned that the United States is importing Sheffield steel for their best tool-making.

ELECTRICAL MACHINERY AND APPARATUS.—Canadian exports of electrical apparatus are valued at about \$200,000 per annum, while her imports are approximately \$9,000,000, so that it seems probable that Canada is not in a position to devote much attention to the British market. It is certainly worth consideration, the annual imports being valued at \$10,000,000 a year. Imports from Germany were valued at \$3,500,000 and those from the United States \$2,000,000. The main items in these imports are: electric wires and cables, insulating, telegraph and telephone wires, carbons, electric lamps and batteries.

AGRICULTURAL IMPLEMENTS

The Commission found that the business done in France by Canadian firms is in mowers, reapers, binders and threshers. These machines form an important factor in the harvesting of the agricultural crops of Great Britain and all Continental countries.

The agricultural implement manufacturers of Canada were the pioneers of Canadian export trade in manufactured articles. This export business was commenced about forty years ago and during the past twenty-five years has grown to very large proportions. The Commission recommends any Canadian manufacturer, who has not had experience in export trade, to study the methods adopted by the Canadian implement manufacturers, which have for a long series of years proved so successful.

The Commission was impressed with the fact that the representatives of Canadian agricultural implement houses, whom they met, had a full and intimate knowledge of their companies' lines of goods, and a perfect understanding of the market in which they were operating. The Commission found that Canadian implements occupy a high place in the estimation of agents and farmers in the countries visited, and command the highest price. The Commission found that the success of the business was due to the following:

First.—The sales organizations were formed and controlled by the Canadian companies;

Second.—Care has been exercised to have implements suitable for the conditions in which they are to be used, and so simple in design and construction that they can readily be adjusted and operated by unskilled labour;

Third.—Machines have been built only of high-class material and by careful and skilful workmen;

Fourth.—Special attention has been paid to packing, in order to protect the machinery against the rough handling incidental to rail and ocean transport, and to insure that no parts shall be missing when the shipment reaches its destination;

Fifth.—Duplicate parts have been kept on hand for emergencies, and experts have been retained to keep machines in satisfactory condition. Manufacturers lay great stress on the importance of this service.

While a large American company has established plants in most of the principal countries of Europe for the complete or partial manufacture of certain of their agricultural implements, the Canadian manufacturers have so far found it possible to manufacture everything, including repair parts, in Canada, and are able to compete successfully and profitably in the European markets. Prior to the war, Canadian companies were doing a large business, not only in Britain and France, but also in Germany, Austria-Hungary, Roumania and Russia, as well as a substantial business in all the minor European countries.

The smaller implements, such as walking ploughs, harrows, and scufflers are made locally, and the business done by Canadian firms in these lines has been very limited. In ploughs, nearly every country has a variety of requirements. Local customs and prejudices rule very strongly, and it is, therefore, difficult to standardize in this particular line. Germany, prior to the outbreak of war, enjoyed a very large business in ploughs in France, Italy and Russia; in fact, its trade was enormous in its proportions. Under conditions created by the war, there may be a greater opportunity for Canada to compete in ploughs and other of the smaller implements heretofore not found profitable.

Prior to the war, Germany was exporting to Russia three-quarters of a million to a million ploughs annually and enormous numbers of cultivators, small seeding machines and many other of the simpler lines of farm implements.

In view of the pronounced shortage of labour, there will unquestionably be a large demand for tractors in agriculture. There is no doubt that our engineers and manufacturers will be able to produce a satisfactory tractor at a reasonable price. When they can offer a machine, simple in construction, and capable of withstanding the rough usage of the fields, there will be undoubtedly an excellent opportunity for development in this direction.

The Commission found that the largest manufacturing organization in Canada was strongly represented throughout Great Britain and France, having its own branch houses, travellers and expert staffs, as well as local representatives in every small centre throughout the countries just as they have in Canada. The Commission understands that this Company has developed its foreign business to such an extent that in the year 1914 more than one-half of its entire product was sold abroad, and is informed on good authority that this portion of their business was more profitable than their home trade.

The experience of Canadian manufacturers of agricultural implements in export trade should furnish incentive for manufacturers in other lines who may have overseas trade in mind.

The export trade that has been secured by Canadian implement manufacturers has lessened the cost of production by increasing the volume of trade, and by enabling them to operate their factories in full force throughout the entire year.

This industry has been dealt with as an example of what can be accomplished by enterprise backed by sound business methods, in developing new markets under the handicap of distance and varying conditions. There is a stability that is most desirable about a business

widely spread, and therefore likely to enjoy from year to year fairly average conditions.

While the Commission learned that in the past the trade in agricultural implements had been well looked after, it gathered during its visits and investigation that there will be new opportunities in all three countries—Great Britain, France and Italy—after the war, for those now in the field to extend their business, and opportunities for manufacturers who have not heretofore been represented, to establish themselves in these markets.

ENAMELLED WARE

Germany for many years has supplied large quantities of Hollow-ware to the United Kingdom, and has also successfully competed in many export markets which were formerly supplied by the United Kingdom.

A considerable proportion of the business, particularly in export markets, was in cheap articles sold at prices with which British manufacturers could not compete, though Britain now claims to be in a position, through improved methods recently applied, to meet German competition.

While it seems likely that a great proportion of the business in the home market will be regained by the United Kingdom manufacturers, there seems to be a prospect for Canadian manufacturers to secure some of the trade.

Full particulars of British requirements have been forwarded from time to time to the Department of Trade and Commerce, including illustrations from catalogues. In the past purchases have been made in Canada, but it is generally admitted that her prices were too high to compete with German manufactures of a similar nature. British imports of enamelled hollow-ware approximate \$3,500,000 annually. A study of British designs is recommended, and an endeavor should be made to produce at a lower cost than formerly.

A former representative of important German manufactures was so favorably impressed by preliminary enquiries instituted that he went out to Canada and discussed the situation thoroughly with a large Canadian firm, with a view to obtaining their agency. He reported upon his return that arrangements for representation had been concluded, and that he had spent several weeks at their works making suggestions, and had arranged that the company should manufacture certain patterns which he considered suitable for export trade. However, just as this

representative returned and was about to open an office, the importation of hollow-ware was prohibited, and in the meantime nothing can be done until some modification or removal of the restriction takes place.

As another firm also sent a representative over to Great Britain, it is thought that the principal Canadian manufacturers are aware of the situation.

LAMPS AND LANTERNS

Lamps and Lanterns (except electric) are imported to the value of \$250,000 annually. With German competition suspended, Canada has been able to increase her sales, but they do not exceed \$5,000 a year. An even more formidable competitor is the United States, her contribution in 1913 being \$90,500 against Germany's \$85,000.

PAINTS

Canada has increased her sale of painters' colors and pigments from \$2,250 in 1910 to \$108,000 in 1914, and this should be an inducement to continue her efforts in the British market. Imports are valued at \$10,000,000 a year. Germany found the British market very profitable before the war. She was the leading supplier of barytes, red and white lead and unenumerated paints and colours. Nickel oxide was imported solely from the United States, and the chief sources of supplies of zinc oxide were Germany and the United States.

KNIT GOODS AND TEXTILES

As Canadian manufacturers of Knit Goods and Textiles well know, difficulties must be faced which appear unsurmountable should they undertake to develop an export trade in these lines. The Commission, however, came to the conclusion, after a careful study of the situation, that a certain amount of success is possible, and begs to make the following suggestions as to the methods that might be adopted:

KNIT GOODS.—First: It is evident that Canadian manufacturers are hopelessly beaten if mere cheapness is considered; and to secure business, the lines offered must have distinctive character, must be well finished, must appeal to sight and touch, and must above all prove satisfactory in the wearing. The world to-day is prepared to pay a good price for a good article.

Second: Co-operation among manufacturers for export trade would be advantageous because considerable expense is involved in any

earnest attempt to establish a permanent market, and any spasmodic efforts would be of little or no value.

Third: A prime requisite is a thoroughly competent representative, one who knows the market he is opening and the goods he is selling, a man strong enough to inspire confidence and one whose advice on all matters of policy would have weight.

Fourth: A stock room would be necessary. Merchants will buy more readily if assured that their stock can be replenished promptly in case of need.

Fifth: Goods should be sold at laid-down prices and in the currency the buyer is accustomed to, and should be sold in the quantities a buyer wants and can safely handle. It is better to have small orders which will be increased, than large orders which will not be repeated.

Sixth: Customers should be helped by judicious advertising. This necessitates the adoption of permanent trade marks, and in all advertising the word "CANADA" should figure prominently.

Seventh: Special provision must be made for export trade. To go after it in a half-hearted way or only when home trade drags, will never secure satisfactory results.

The Commission recognizes the many difficulties in the way, but during the past two years there has been such an addition to the knitting machinery installed in Canada that an export outlet is most desirable.

The Canadian manufacturer of knit goods has not, up to the present, spun any of his finer counts of yarn. These are imported largely from Britain, which constitutes a handicap. But it cannot be too strongly emphasized that there are other things than mere cheapness that go to make a market.

TEXTILES:—Canadian manufacturers of textiles cannot do any large amount of export trade with Great Britain. Cotton, wool and linen fabrics are manufactured in Britain under processes so perfected by generations of experience that a young country aspiring to compete would be credited with having a good deal of courage. Homespun of a distinctive character are produced in Canada and might find a limited market in Britain. Canadian cotton textiles are of a high order of merit, and are steadily improving. Our scale of wages will probably hereafter be quite as low as that obtaining elsewhere, and the larger market which an export trade would give would reduce overhead expenses and permit of specializing—the key-note of successful competition. Canadian manufacturers in all lines should look ahead. Present day conditions should not decide the question.

LEATHER

The total British imports of leather, in which is included hides and leather dressed and undressed, were valued at \$25,000,000 in 1914, Canada's share being \$1,400,000. For dressed leather the main source of supply is the United States and Germany. In normal times, Germany was the leading source of supply for chrome tanned, box calf and fancy leather. Glacé kid came almost entirely from the United States.

Over \$5,000,000 worth of leather gloves are imported annually, chiefly from Germany, France, Belgium and Austria-Hungary. Canada appears to have devoted little, if any, attention to the market.

Imports of boots and shoes are valued at about \$4,000,000 a year. Very few Canadian boots and shoes reach the British market, due to the cheapness with which British manufactures are produced, and to the expensive advertising which would have to be incurred in order to introduce them. The manufacturers of the United States have retail stores in most of the large British towns.

The Commissioners found that there is a good demand in Great Britain for "patent" or enamelled leather. Montreal and Toronto firms make grades which have given great satisfaction, and the trade in this article is capable of indefinite expansion.

It was also reported to the Commissioner in London that leather supplied by Canada to the South African Railway had met with marked approval, and would lead to further business.

Boots and shoes under present conditions can not easily be exported to Great Britain except for army purposes.

BRISTLES AND HAIR

The British market for Bristles is valued at over \$3,500,000 a year. The chief sources of supply before the war were China, Russia and Germany. Imports from Canada are not stated in the Board of Trade returns. The entire import from the British Possessions was valued in 1914 at \$400,000.

The British market for cow, ox, bull, elk and horse hair is extensive, being valued at approximately \$4,000,000 a year, and Canada should find it a profitable study. Chief countries of origin in normal times are Germany, Russia, China, Belgium, France and the United States.

BROOMS AND BRUSHES

Two years ago an attempt was made by a Canadian firm to secure some of the Brush trade of the United Kingdom, but, except in a few cheap lines, the effort was unsuccessful. Prices were about 15 per cent

too high. Cheap brushes of all kinds are in demand, and an endeavour to reduce the cost of production should result in obtaining a fair portion of the British trade. Prior to 1914, Germany and Belgium were the main sources of supply. Of an annual total import of \$2,250,000, Germany claimed \$800,000, and Belgium \$600,000. A great demand for brushes followed the cessation of supplies from those two countries. When war broke out there was not one manufacturer of brush machinery in the United Kingdom, and labour was not forthcoming to engage in brush making. Japan, from which country was imported \$120,000, worth of brushes in 1913, immediately set to work to capture the trade of the United Kingdom hitherto held by Germany and Belgium, with the result that she has increased her sales enormously, being able to produce at even cheaper prices than Germany.

There is very little demand for corn brooms and whisks in the Midland counties and the south of England, but they are in fairly common use in the north of England, Scotland and Ireland.

ANIMAL OIL

ANIMAL OIL is imported in much larger quantities from Canada now than formerly. In 1910 imports from Canada were valued at only \$860; by 1914 they had risen to over \$34,000. The greatest contributor to the total British imports, valued at \$1,300,000 in 1914, was the United States whose sales exceeded \$820,000.

SOAP

Notwithstanding the large quantities of soap manufactured in the United Kingdom, her imports of household and laundry soap in bars or tablets were valued in the fiscal year of 1914-15 at \$580,000. In 1910 and 1911 they exceeded \$1,000,000. More than one-half of the supplies is obtained from the United States. Nearly all the imports of soap powder also are from the latter country.

ROPES AND TWINES

Canada enjoys a good share of the trade in Ropes and Twines and she has been able to increase her sales since the outbreak of war. Binder twine is Canada's chief contribution (\$20,000) to the total imports of cordage valued at \$2,300,000 annually. Canada's leading competitor in the British market for binder twine is the United States, imports from that country in 1914 being \$700,000. Before the war the larger propor-

tion of imports of cables, cordage and rope of not less than $\frac{1}{4}$ " in diameter was from Belgium, and the larger proportion of "unenumerated cordage" was from Germany.

RUBBER GOODS

This is a line in which Canadian export trade is being most satisfactorily developed. One Canadian firm has established itself in Britain with a head office in London, and is already doing a large business in certain kinds of footwear and motor tyres, with good prospects of extension in druggists' and other lines.

While rubber footwear has been used to a very limited extent in the United Kingdom, its suitability was becoming better recognized before the war, and as a result of the great use of rubber boots in the campaign, it may be taken as certain that this trade will be immensely developed in the future.

EBONITE OR VULCANITE in sheet, rod or tubing. The Commission received enquiries in Manchester for these, for electrical purposes, and the firm enquiring said they could take the articles in considerable quantities, provided quality and price were right.

MOTOR TYRES

On account of the curtailment of the manufacture of rubber tyres in Great Britain during the war and the complete shutting off of imports from enemy countries, there will be a large demand for motor tyres from neutral sources. The United States has been a large contributor of this commodity, and if Canada can successfully compete in this and kindred lines, there is a valuable market awaiting her.

GLASS BOTTLES

Owing partly to cheaper labour in other countries, and partly to domestic trade union troubles, Great Britain is an importer of large quantities of Glass Bottles, of which approximately half were supplied by Germany.

During the past year Canadian manufacturers have been doing a considerable business in Great Britain in certain varieties of bottles, and as they possess a number of the most improved glass bottling machines, and are thus advantageously placed for production, they should be able to export considerable supplies to Great Britain for some time to come.

British Exports to Canada

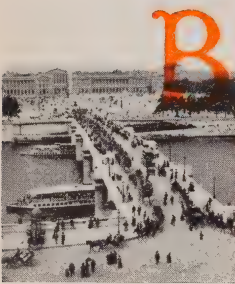
Extensive general remarks on Britain's trade and commerce appeared unnecessary to the Commission for the purposes of this report. Similarly, an enumeration of British exports to Canada is practically superfluous. In the appendix will be found a chart showing the relative importance of the commodities coming to Canada from the Motherland in normal times.

As already stated, the Commission has handed to the Department of Trade and Commerce a large number of definite trade enquiries from British exporters.

British goods have a preference with Canadians, both in sentiment and in actual fiscal policy. The great war can only cement more firmly the bonds with Great Britain which have existed throughout the life of the Dominion.

FRANCE

Introductory



BEFORE proceeding to a detailed examination of the opportunities which exist for developing trade between France and Canada, it will be well to recall the outstanding features of our Ally, which are of prime importance in trade relations.

The area of France, 207,146 square miles, is approximately that of the land area of Manitoba, or three-fifths of that of Ontario.

Of France's population of 38,500,000, one-third live in towns. Her population per square mile of 146.5 is almost seventy times that of Canada with 1.93, Canada's population in 1911 being 7,206,643.

In 1908 the surface of the country was divided as follows:—23,590,915 hectares under cultivated crops, including sown meadows, 1,478,160 under forage; 3,601,830 under pastures; 1,723,635 under vines; 1,247,638 under divers industrial plants, truck gardens, etc., 9,309,760 under woods and forests; 3,951,970 uncultivated lands, 3,203,177 not included in above categories; total 52,954,085 hectares. The area under principal grain crops and yield (1911 yield preliminary) is as follows:

	Hectares	Thousand Quintals
Wheat.	6,331,350	87,128
Rye.	1,163,410	12,222
Barley.	774,425	11,094
Oats.	4,040,100	50,843

Hectare = 2.471 acres. Quintal = 220.46 pounds. Franc = 19.3 cents

The forest area is about 18% of the total surface of the country. About one-third is under public ownership.

The mines employ upwards of 5,000,000 workpeople and have an estimated product of about 750,000,000 francs.

The fisheries, including the catch of the Banks of Newfoundland are valued at over 140,000,000 francs.

France is pre-eminently a producer and exporter of manufactured articles. The following table of exports of products (in millions of francs) during the years 1908–1913, indicate the industrial tendency of the nation.

	1908	1909	1910	1911	1912	1913
Food Stuffs.	746.8	823.6	858.2	736.9	849.8	838.9
Materials necessary to Industry.	1341.4	1693.8	1930.8	1830.1	1944.9	1858.1
Manufactured Goods.	2962.5	3200.7	3444.8	3509.9	3917.9	4183.2
Totals.	5050.7	5718.11	6233.8	6076.9	6712.6	6880.2

On the other hand, France has depended to a certain extent upon other countries for a portion of her food stuffs and manufactured articles. Raw materials, however, form the larger part of her importations for consumption, as the following table covering the six years up to and including 1913 will indicate:—

IMPORTS FOR CONSUMPTION

(in millions of francs)

	1908	1909	1910	1911	1912	1913
Food Stuffs.	934.5	952.3	1413.0	2020.0	1803.4	1817.6
Materials necessary to industry.	3589.9	4113.1	4345.7	4525.3	4813.2	4945.7
Manufactured Articles.	1115.9	1180.7	1414.6	1520.5	1614.2	1658.0
Totals.	5640.5	6246.1	7173.3	8065.8	8730.8	8421.3

Individualism is the keynote of French industry, as it is of French buying and selling. In such industries as the cutlery industry, which is thriving in the city of Thiers, the great bulk of the hand labor is performed in the homes of the workers. Of the 15,000 in that town of 52,000, who are engaged in the industry, fully two-thirds take the work home, and have their own apparatus for grinding and other processes of finishing in their dwellings.

Combined with the high artistic proclivities of the French people, this individualism makes for unusually fine initiative in design and workmanship. The French workman takes an unusual pride in the solidity,

fineness and finish of his work, and not only may basic quality be depended upon where quality is at all accepted as the standard, but the fine details of workmanship will be found to be incorporated in the finished article.

The French people have a high appreciation of individual effort and personal talent. Therefore, among their manufactured products, and even in the case of articles which are intended for very ordinary use, preference is given to the one which bears the impress of the individual workman.

However, after the war, not only will it be necessary for machinery to be more largely employed in order to make up for the tremendous loss of productivity during hostilities, but because of the drain which has been made upon skilled labour in France through the toll of war, these standards of fineness and individuality may have to be dropped in favor of economy. As this individualism in French products is an asset of France, any change will no doubt be most jealously challenged for fear that the French nation may lose to a great extent one of its most charming characteristics.

In the same way, the artistic temperament also evinces itself in the manufacture of fine goods of all types. This has a most important effect upon trade relations with Canada in the matter of shipping. While France is able to export fine artistic high-priced goods, Canada is engaged in shipping rough products, raw, semi-manufactured and manufactured. The ships which take cargoes of wheat, timber or pulp to France, are not adapted to carrying back silks, gloves, perfumery, objets d'art and other beautiful and costly articles which express the genius of the French people. This difficulty is a very practical one, and must be most carefully considered.

France has long been recognised as the nation to whom other nations, when in need of money for financing enterprises, can turn. Her wealth is composed principally of the savings of a people who are naturally thrifty. The Frenchman is a born saver. Canadian exporters when seeking markets in France for Canadian products, should bear this point in mind.

Trade with France should undoubtedly increase with the close of the war, if for no other reason than that France will stand in great need of materials for the reconstruction of cities and of industries, and will also desire to pay her war debts by increased exports.

Canadians will be glad to promote such an exchange. Canada has the goods which France needs, and there are many articles formerly purchased from Germany which we can with advantage secure from our Ally.

BANKING FACILITIES

Canadian exporters to France will find that the banking system of that country is admirable, and the facilities afforded are adequate for the ordinary requirements of commerce. The Commission learned, however, that there is a movement on foot in France for an expansion of banking credit for the help of industrial establishments, based upon the systems obtaining in other countries; this will no doubt have an important influence upon France's future industrial development. The Bank of France holds a predominant position, and can be looked upon in the same way as the Bank of England is regarded amongst merchants of Great Britain.

Other banks which have an important influence in French finance, are the Banque Nationale d'Escompte and the Credit Lyonnais, and, in so far as trade with English connections is concerned, the French branch of Lloyds Bank has a most important influence. Canadian exporters will have no difficulty in establishing relations through these banks.

The functions of the banks are rendered all the more simple by the fact that the French people pay their financial obligations without the slightest hesitation, and exactly on the date set. They expect in return all debts due to them to be paid promptly.

TERMS.—The French trader wishes to conduct his business upon a cash basis. Canadian exporters who wish to extend business relations in France may rest assured of the best possible treatment in the matter of payments, when good relations and confidence between buyer and seller are established. Some French manufacturers are so punctual in these matters that they even require cash with the order, and importers on the other hand are so prompt in their payments that no notification of the maturity of notes is needed, and still less is any extension required.

The "Commissionaire" is an important factor in the mercantile life of France. His sphere of usefulness will appear unusually large to Canadian manufacturers. Very few business transactions are carried on direct, and the commissionaire or middleman therefore occupies a unique position.

INTERIOR TRANSPORTATION

Hundreds of years ago the interior waterways of France furnished the great means of transportation from point to point. The Rhone was used at the time of the Romans. These waterways have consistently been

used for a large part of France's interior trade and will doubtless play a great part in future transportation systems. While slow, water transport is cheap. This fact will be of great importance after the war.

The principal ports have canal systems radiating from them, and Bordeaux in particular is able to serve a very large part of Southern and Eastern France on account of its canal systems. The interest which is taken by the French people in the development of their canals is seen in the construction of the wonderful canal from the Rhone to Marseilles. This remarkable engineering feat of tunnelling through hilly country for a distance of eight miles, brings the main artery of North and South trade within easy reach of the ancient and thriving port of the Mediterranean, Marseilles.

RAIL TRANSPORTATION

French railways appear to serve the country consistently and well. The fact that much of the mileage in the country is administered by the State, puts into the hands of the general public a greater degree of control over rail transportation than if the lines were privately administered. The Company controlled lines provide a service which seems both cheap and rapid, and on account of the smallness of the carriages, the shipper whose consignments are not large, has an advantage not common in America.

FRANCE AND GERMANY

Following the war of 1870, Germany had an advantage over France due to the indemnity which the latter was compelled to pay. This indemnity was paid ahead of time out of the people's savings to the surprise of Germany and to the admiration of the world. Germany's main advantage, however, consisted not in the indemnity but in the right as imposed by the Treaty of Frankfurt to secure the minimum tariff for all her products in all circumstances when imported into France.

This concession undoubtedly has worked great harm to French industry, as its development has been checked in many directions by Germany's system of Government subsidies and "Kartells." French manufacturers have undoubtedly had to submit to great commercial pressure brought about by the systematic and undermining competition of Germany, and in many cases they have experienced great difficulty in maintaining the prosperity of their establishments. Consequent upon this condition in French industry, the balance of trade with Germany has been growing steadily more and more adverse to France.

Canadian exporters who are considering business with France will find that many of the products imported from Germany are such as could be supplied from Canada—and if not from Canada then from other portions of the Empire.

FRANCE IN THE WAR

France may have been ready for the war but she was not prepared for anything like the struggle necessitated by the high development of German preparations. France was caught exactly as England was caught, with some of her key industries at a low level of preparedness; but the coming of hostilities gave a tremendous stimulus to some of these. The difficulties by which the country was confronted were immensely increased by the fact that the greater part of her industrial territory was overrun. The steel producing plants of the Northeast, which ranked among the best in the world, fell into German hands; therefore the other centres of metal production were forced into unusual activity. Many other industries had practically to be developed from the ground up, and the best brains of the country were put into the making of changes rapidly and efficiently. The marvelous power of rapid improvisation was witnessed by the Commission, when it had the privilege of seeing a certain munitions factory, where a complete plant capable of producing 50,000 shells per day, was installed and working to full capacity within five months.

The national response among all classes has been quite beyond anticipation, and the world owes much to France for her hardihood and her adaptability under circumstances which were most difficult.

FUTURE TRADE RELATIONS

Canadian exporters will find French business men active, alert and progressive. Their only difficulty will lie in the fact that Continental competition has already evolved a system of service to the French customer which was extremely good, and which relieved the purchaser of a good deal of trouble.

Let Canadian manufacturers therefore, if they wish to secure business in a way that will be perfectly fair, and in accordance with the customs of our French Allies, look particularly to the specifications which are laid down; let them endeavor to quote always in the customer's currency and at his own warehouse. In short, let them go more than half-way towards making business between the two countries easy and mutually profitable.


Canada is particularly interested of course in the changes which will come about in French industry after the war. Many of the brave Allies have fallen in the fields of battle, many others will be incapacitated; but demands for increased production along all lines will be very insistent, and therefore the introduction of machinery is much more than a possibility. Canadian manufacturers of machinery and other mechanical means of reducing labor costs will find in France a ready demand for their products. It only remains to be seen what can be done along the lines of transportation—and possibly also of fiscal changes—to make it possible for Canada to meet the competition which Germany will press upon her former customers, both directly and through neutral channels under the guise of neutrality.

Through the aid of the Ministry of Commerce and the good offices of the Commissioner General for Canada in Paris, the Commission was enabled to send out blanks to be filled out by French firms who wished to import from, or export to, Canada. The large number of replies received indicates the strong desire for closer trade relations which exists in France. The Department of Trade and Commerce can give full information regarding these to any who apply.

Canadian Exports to France

Products of the Farm and Allied Manufactures

CEREALS



HE minor part which Canada plays in France's imports of wheat may be clearly seen in the table and chart in the appendix, which shows the sources of imports for consumption in 1913. Other countries not more favorably situated as to crops or transportation facilities far out-distance Canada in French markets. The small importance of Canada in the eyes of large purchasers of wheat in France may be judged by the fact that one of the most important of these maintains in Northern Russia

fifty buying agents, in Southern Russia sixty-four, in Argentine Republic thirty-four, in Roumania twenty-eight, in India eighteen, in Australia four. Canada is covered by occasional visits from the one representative who buys in the United States.

Today France is ready and glad to buy wheat from Canada. Unusually large shipments have been made, due principally to the war and to the fact that ocean freight rates from other countries have been increased. These imports have given France an opportunity to see the very fine qualities produced in our country. French purchasers have been satisfied with our wheat, and have come to regard Canadian Government inspection as the best possible guarantee of high grade grain. Dominion-inspected wheat has commanded higher prices than that which has been inspected at sea-board.

In 1914-15 Canada sent 77,331 barrels of wheat flour to France, as against 1,400 barrels in 1913-14, 3 barrels in 1912-13, and 12,568 in 1911-12, indicating quite clearly that France has been well informed as to the quality of Canadian flour. In all the countries visited the Commission heard warm commendation of Canadian flour. This leads to the conclusion that if French millers could be induced to take advantage of the popularity now secured for our grain, and specialize on Canadian wheat and advertise the product in a distinctive way, great gain would result.

With the exception of oats, France's imports from Canada of other grains than wheat are relatively small. In oats Canada has an opportunity, as the quality of oats received from other countries has not been good. French buyers are ceasing to buy as once many of them did—

irrespective of the weight per bushel. Canada's fine qualities of oats should have a good reception, as weight for weight they have greater food value than other oats.

Any situation or condition of which advantage can be taken to establish confidence in the high standard of our grain, in the reliability of Government inspection, in the fairness and in the honesty of our dealers and in the efficiency of our methods of transportation will tend to insure for us a permanent and growing market in France.

VEGETABLES AND FRUITS

Canada can hardly expect to place many of these goods in the French market, as the intensive cultivation of that country usually provides a large crop, which gives a surplus that goes to Great Britain. Some cities, Bordeaux and others, have canning factories which render competition difficult. The French tariff is high. This, with the Atlantic freight, creates an almost impossible barrier against our goods. Nevertheless the French Year Book of 1913 shows that imports of Canned Beans and Tomatoes were 57,000 metric quintals, of which 38,000 were from Algeria, 16,000 from Spain. France imports some green apples and Canada might well try to place both evaporated and green in the market. In 1913 France imported from Germany, Spain, Italy, Belgium, Austria, etc., about 80,000 metric quintals or say 110,000 barrels apples and pears. Canada did not send any.

CANNED MEATS

The remarks on page 28 under the head "United Kingdom" as to the quality of Canadian Canned Meat apply likewise to France. Unless Canadian packers are most careful about quality they cannot expect France to become a steady customer. The war has created an opportunity for Canadian canners, but the goods must be bright and clean. The French returns show that in 1913 France imported 42,341 metric quintals of tinned meats. Great Britain sent 6,159 m. q., French colonies 29,000 m. q. Canada is not mentioned as sending any.

The Canadian Trade Returns for the year 1915 show that we sold France—Canned Meats:—

1914.....	103,791 lbs.....	value \$29,170
1915.....	3,204,594 “.....	“ 633,903

A value of about 20 cts. per lb.

This large export in 1915 is due to the war demand.

Products of the Forest and Allied Manufactures

TIMBER



FRANCE consumes, every year, an enormous quantity of all classes of lumber products that Canada can furnish. In 1912 French imports in sawn timber and lumber, from countries subject to the same customs tariff as Canada were valued at 200,000,000 francs; in 1913 the amount was even greater. After the war, this demand will increase prodigiously on account of the necessity of building temporary shelters and of re-building destroyed property. It must be remembered that France has retaken from the enemy 753 towns (communes) containing 16,669 houses that must be completely reconstructed and 29,584 that need repairs; it must also be borne in mind that there are now 247 towns on the firing line and 2,554 towns at present occupied by the enemy (July 1916).

In considering the question whether Canada can successfully compete for this trade, it is important to note that she has one incontestable advantage over the United States in enjoying the minimum tariff on manufactured wood, while they pay general tariff. The present supplies are received mostly from United States, Russia, Scandinavia, Switzerland and some through England, but none of these countries have any preference over Canada in custom duties.

At the present time, in spite of the exorbitant increase in freight rates, there is a large and varied demand, as is proven by the unsolicited offers received during the short stay of the Commission in France.

HAVRE.—An agent would like to purchase, as soon as possible, a couple of ship-loads (steam or sailing vessels) of our spruce and pine of medium and ordinary qualities. He asks Canadian shippers to make an offer in any system of measurement. His specifications for widths and lengths were made in metric measure, but he had taken the trouble to compute them in feet and inches.

BORDEAUX.—Two importers, having large yards and sheds, asked for staves regardless of price. They furthermore offer to receive, free of charge, quantities of our woods to be used as samples to further the trade. They estimate that the ports of Havre, Nantes, La Rochelle and Bordeaux import annually more than 250,000,000 feet board measure of lumber.

In ordinary times the freight from Riga costs 30 francs per 1,000 ft., whereas from Nova Scotia the average is 50 francs. The port of Bordeaux

handles large quantities of timber for mine props. This class of timber comes from the forests of Landes, France, and is a resinous maritime pine, lifeless and unfit for any other use. It brings 23 francs per ton and England buys all that can be supplied.

MARSEILLES.—A merchant wishes to buy an assorted stock of 10,000 cubic metres. Another agent purchases annually 35,000 cubic metres.

MONTBELIARD (DOUBS). A buyer who has been purchasing in Antwerp for twenty years, needs mouldings, wood for aeroplanes, soft wood flooring, also oak and other hardwood floorings, panelling, etc. Another manufacturer needs wood for shuttles.

BELFORT.—The largest manufacturing concern of the region is desirous of obtaining a supply of basswood (*bois blanc*) for textile machines. The specifications are not strict as to lengths, provided there be some pieces 6 metres long by 30 centimetres wide, 15 to 80 millimetres thick. In Switzerland they procured what they required at 70 francs the cubic metre, but the tree was measured whole, then cut up, the heart laid aside, the purchaser bearing the loss. This company buys, in lots of 1500 cubic metres, all kinds of dry, light wood, weighing about 700 kilos the cubic metre, straight grain, capable of firmly holding screws, cut with square edges, without wane. This company is willing to pay the highest prices.

LYONS, TOULOUSE, MILLAU.—Here as well as in above mentioned cities, the Commission was approached by firms anxious to handle Canadian lumber, pulpwood, railway ties, telegraph poles, wood for packing cases, etc. Birch, maple and ash are also in great demand.

WOODENWARE.—There is a very general demand for small woodenware such as dress hangers, towel rollers, washboards, shuttles, etc. However, low prices governing the market and high tariff duties prevent Canada from taking advantage of this trade for the present.

TIES OR SLEEPERS.—An unlimited and continuous demand exists. Our Douglas Fir is extremely abundant and in our opinion well suited for this use; samples have been sent to some of the railway companies in France. A test was made by these companies and the result thereof was embodied in two reports from their chief engineers on the 23rd of May and June 8th, 1916. (These reports are now in the hands of the Commissioner General in Paris). Although these reports are favourable as to the durable qualities of the wood, they are unfavourable as to its capacity for the retention of spikes. This objection, and the experiments upon which it is based, do not seem to justify the disqualification of our lumber for such purposes, especially when its primary quality, that of durability, is conceded to be excellent. To extract a spike from a sleeper immediately after it has been driven cannot conclusively show the grasp-

ing and retentive power of the timber. But even admitting that it does, then why not overcome the difficulty by using special spikes entailing no greater cost? The great point gained by sending the sample is that both the railways have agreed to try the sleepers in actual use where it is expected they will show their real value.

It is evident that France cannot supply her own requirements. The policy adopted throughout France for the conservation of her forests, to cultivate them and to cut only as much as can be produced each year, necessitates the purchase elsewhere of the wood she needs for building purposes, etc. A change in this policy would bring about a revolution in France, where whole districts (communes) pay their taxes from the annual revenue from their forests, and in some cases even distribute a considerable surplus among the inhabitants.

Before the beginning of hostilities the lumber merchants of Canada were satisfied with the profits to be derived from the local market and exportation to England. The trade was carried on without effort and with happy results. Necessity had not forced them to seek new markets which they did not need in order to completely dispose of the limited quantity produced. Thus we have, in the first place, the absence of necessity and lack of interest on the part of the Canadian merchants. Furthermore, the conditions under which lumber is sold on the French market are totally different from those existing in Canada. The metric system of measurement is no more understood here in the Dominion than is the Petrograd standard of measure. It must even be admitted that the value of the franc is little known. The same is the case with the weight of wood in kilos. We are not in the habit of furnishing samples. It is a trouble to obtain information as to freight and insurance. Such are the obstacles that the carefree prosperity of our lumber merchants has made no effort to overcome.

In contrast to this apathy we find the constant and ingenious activity of our competitors. The timber merchants of the United States, trained and equipped by a close study of commercial methods, do not hesitate to cross the sea with their samples, in order to make known the value of their products, and, as a result, they make large sales.

The English agents who have always made a specialty of exportation and transportation of all kinds of goods, are willing to make special terms for freight, to sell, using the system of measurements the most convenient for the customer and to compute their prices in francs or in shillings, as the case may be.

The Germans, who carry on their commerce in a scientific manner, provide themselves with handbooks, in which may instantly be found the price of lumber per thousand feet, be it computed per standard or per

cubic metre—in dollars, in pounds sterling, in francs, or marks, etc. In these handbooks may also be found the weight of the various species of wood in order to facilitate estimating the cost of freight. Finally, we there find the average rates of exchange. Armed with this guide, the salesman, who needs only to learn the names of the species and the qualities most in demand, passes often for an expert and impresses the French consumer.

Very little Canadian wood is sold on the French market because it is almost unknown, and, what is worse, in the few places where it is known it has the reputation of being of very inferior quality. This seems hard to believe, but it is only the strict truth. It can be explained by the fact that the Canadian lumber exported has been sent almost exclusively to Great Britain and when, from time to time, it was sent from that country to France, it lost its name and passed as the product of other countries. This was the case with our fine woods that brought high prices. It must be admitted, however, that certain shipments of Canadian wood of a most inferior quality were unloaded on the French market at low prices because they could not be disposed of elsewhere. Such proceedings have caused incalculable harm to the reputation of our products. Unfortunately, our exports of high quality lumber have not been able to counteract this undesirable reputation, since they have always been credited to other countries. At Contras, near Bordeaux, the following sign is displayed on a large lumber factory: "BOIS DE L'AMERIQUE DU NORD" (NORTH AMERICAN WOOD). It is evident that in France, Canada does not exist as a separate country, only "American" products are known. The French word "épinette" has even been forgotten, and this wood is currently known in France by the name of "Spruce." If Canadian Pine from the Province of Quebec or Ontario is offered, the objection will be raised that it is too resinous. Nevertheless, everyone knows the great difference between Canadian pine which has lost its resin by being "floated," and the French pine which is cultivated expressly for its resinous products.

Everywhere in America and in England, the pine of the Provinces of Quebec and Ontario is known as without equal in the world. In France there is little interest in its qualities. British Columbia Fir, thanks to the extensive propaganda by the Government of that Province, is beginning to be appreciated in certain places, but it has a formidable competitor in the Pitch Pine of the United States. With the freight charges in existence even before the war, it was impossible for Canadian woods to compete with the products of European countries. When it is considered that in normal times the cost of transportation constitutes over 40% of the selling price of wood in the French market, it will be seen

that the freight rates are one of the most essential factors of this business.

The cost of transportation, revealed by the above proportion, does not seem at all justifiable, especially if it be compared with the cost of transportation of lumber coming from the ports of the Baltic Sea. In the latter case the freight rates are only half as much as for lumber coming from the ports of Montreal and Quebec.

The lack of direct steamship communication is another obstacle and one of the most serious. Our exportation has been carried on almost exclusively through England. On the English market our British Columbia wood is robbed of its national character. It is lost in the midst of the products of other countries and is sent to France under names that in no way indicate its origin. At times even dealers sell it as wood from "the North." Our forest products have an undeniable value, and it is essential that their value be known in France and attributed to Canada, in order that our merchants and the country at large may reap the benefit.

In order to secure a place in the French market, Canadian producers must first of all make Canadian products known. To attain this end, there is but one practical and efficacious way, namely, to show them to possible purchasers. Printed matter, advertisements and lectures by commercial agents will never convince the French people of the value of our merchandise. They must see it, feel it and be convinced for themselves.

Again, our merchants must come into personal contact with the French market in order to thoroughly understand its needs and even its smallest requirements, if they wish to compete with other countries. In this connection it will be well to remark that Canadian lumber should be more carefully sawn and also more in accordance with the dimensions required by the French market. Merchants of the Dominion should also realise the importance of providing their salesmen with all the information necessary in order to reply to the questions of the French consumer, such as the weight of the wood per cubic metre, per standard, etc.

PULP

France depends largely on the outside world for Pulp, owing to the absence of sufficient natural resources. A very limited area of woodlands consists chiefly of Pine, fit only for an inferior grade of pulp, because of its resinous properties. Manufacturing processes are expensive, depending largely on coal for power, and this double burden makes it essential that imports of materials be made on a basis of strict economy.

The chief item in the ultimate cost of pulp being the expense of transportation, France finds it particularly necessary to look for a source of supply from which freights are lowest. It has, therefore, fallen to Scandinavia to furnish the French mills with the bulk of their pulp and, with the exception of Germany and Austria in the case of chemical pulp, imports from other countries have been practically negligible.

The total imports for 1913 amounted to 285,932 tons (net) of mechanical pulp, and 226,568 tons of chemical pulp. Scandinavia furnished in that year 90% of mechanical and 58% of chemical, Germany's and Austria's share in the latter amounting to 34%.

If Canada is to share in this trade, there are obstacles to be overcome. The difficulty in carrying 50% moist mechanical pulp for the long distance, at an advantageous rate, is apparent. It would be necessary to ship chemical pulp practically dry, and in competition with several other countries favoured by a comparatively short haul.

Previous to the war, a fair average price for groundwood was 11 francs per 100 kilos c.i.f. Rouen, equalling about \$19.40 per 2,000 lbs. Duty applying to Canada amounted to \$1.76 per ton for dry pulp and \$0.88 for moist.

Chemical Pulp was bought at 19 to 20 francs per 100 kilos c.i.f. Rouen, or about \$35.26 per 2000 lbs.—Duty \$3.50 per ton.

It should be particularly borne in mind that pre-war conditions need not by any means indicate what will exist in the future. Nevertheless, as there is no other basis on which to work, the above figures are given for what they may be worth.

At the present moment (July, 1916), the market has advanced to exceptional figures, much beyond normal. The demand is strong and the tariff has been temporarily reduced by 95%, whilst current prices are three times the normal and tending to rise further.

No doubt in the future the quantities amounting to 76,350 tons formerly obtained from Germany and Austria will be sought for elsewhere. It would seem obvious, however, that Canada cannot hope to look to France for a sound and regular pulp market unless the burden of the cost of transportation is in some way neutralized.

PAPER

France gives liberal encouragement to her manufacturers through customs tariff protection. Paper is one of the commodities which has been produced under these circumstances, and is therefore imported to a much less extent, relatively, than the raw material, pulp, for which the country has small resources of timber.

From an inspection of the paper mills at Nanterre-sur-Seine, which the Commission was privileged to make, and at Lancey (Isère), the members judged that France is in a position to sell Canada grades of paper which are quite remarkable, and unequalled in Canada in delicacy of manufacture, and at the same time that the French newsprint industry is working under a very serious handicap in having to import both sulphite pulp and mechanical pulp as well as certain other supplies, and to fabricate the paper with steam power generated from imported coal.

Canada, on the other hand, with her wealth of wood and water powers, should be able to make some attractive offers to France, if, under the stress of war conditions, the French newsprint industry is not in a position to satisfy all demands upon it.

The fact that Canada ships some newsprint to Great Britain under normal circumstances lends encouragement to this idea.

Products of the Sea and Allied Manufactures

FISH



LACK of ocean transportation facilities has doubtless caused a decrease in Canada's exports of fish to France. There have been in the past few years some fluctuations which demand attention. The decrease in our fresh salmon sales to France since 1911 has been considerable. During 1914 our sales of canned lobsters to the United Kingdom increased slightly. Fresh salmon exports from Canada to the United Kingdom increased 60% over 1913 exports, and those of canned salmon were more than double what they were in 1911, 1912 and 1913. This proves that the United Kingdom importers were getting the trade that Canada was losing in France.

COD FISH.—As shown by trade returns, Canada does not sell any cod fish to France. The supply of this fish comes almost entirely from the French fishing fleet, one-third of which seeks the shores of Iceland, and the other two-thirds the Newfoundland and St. Pierre shores.

BONELESS FISH.—Eastern Canada has, during the last twenty years, developed an industry in boneless codfish for which we might find a market in France. This commodity is packed in small wooden boxes.

Canadian fish dealers, in order to secure the French trade, should pack this boned codfish, and other boned fish, in small wooden boxes of 1 kilo (equal to 2.20 lbs.) 3 kilos, and 5 kilos.

The Commission found that dealers in France apparently know nothing about these clean white boned codfish.

SKINLESS CODFISH.—These are packed in wooden cases of 100 lbs. net. The fish are well cured by the usual pickle curing, and sun-dried afterwards. The coarse, dark skin is removed from the napes and the fish look bright and clean, lying flat in the wide boxes. If these fish were cured a little more dry, and shipped by quick steamers, they should find a market in France from October to April.

HADDOCK, HAKE, POLLOCK.—If seeking a market for these fish in France, Canadian packers should not try to sell them as "Codfish," but as a second quality fish. They should be boned and put up in boxes of one kilo, three kilos and five kilos. On all sizes of boxes the word "Canada" should be prominent. The boxes must not be marked

"Codfish" but "Pure Fish." The weight and packer's name should be carefully stated. Samples should be sent first to responsible agents in the larger cities.

SKATE, FLOUNDERS.—These fish are to be found for sale in French markets and are often served in the higher class restaurants, etc.

PICKLED HERRING.—The market for Canadian Pickled Herring in France is not likely to be large. France does not buy this fish to any great extent, and further, large quantities are obtainable in the English Channel and the North Sea. It might be, however, that if Canadian dealers would pack good Eastern Number 1 Herring in sound barrels, bound with iron hoops, and would forward samples to French agents, a market might be developed. One of the difficulties so far has been that the Canadian barrels and half-barrels made from spruce wood have not been proof against leakage.

Kipperd Herring in tins might also be sold.

SMOKED FISH.—We doubt if fish that are smoked in the ordinary way could stand the summer weather of France, but for shipment in the months of November and December it is possible that smoked fish, kippers, bloaters, etc., and even smoked salmon, might find a sale in the French market.

SMOKED HERRING.—Eastern Canada has been putting up for many years large quantities of small herring in thin board boxes. These fish count from 20 to 25 to the box, and weigh net about one kilo—2.20 lbs. They are dried hard, and in ordinary climates will keep for three to six months. We would suggest that dealers place these on the French market. October or November would be a good time for shipment. The small boxes of one kilo might sell; the larger ones of 10 kilos would be difficult of sale. They should be smoked fairly dry and hard, so as to require very little cooking. Boxes should be stamped "Canada"; the letters "Canada" about one inch long. It is best to have the packer's name on each box.

SALMON, LOBSTERS.—France has always bought enormous quantities of canned lobsters, and while canned salmon are sold only in very limited quantities, the sale has greatly developed of late, the article having found favor in the taste of the consuming public, since meats and other commodities have become so dear.

Lobsters sell mainly in flats $\frac{1}{4}$, $\frac{1}{2}$, $\frac{3}{4}$ and 1 lb. tins. Before the war a good market was found for lobsters in Russia, Belgium and Germany, which countries bought mainly the choicest grades. The better grades come from the south shore of Nova Scotia and also from Newfoundland, but lobsters of Newfoundland origin do not interest the French market.

That colony has no special treaty with France, therefore the lobsters of Newfoundland origin pay the maximum duty while Canadian fish enter at the minimum duty.

It is claimed that these south shore Nova Scotia lobsters are a little larger than those coming from Prince Edward Island, and the New Brunswick coast on the Gulf of St. Lawrence. The tin plate should be of the best quality and well coated, so as to prevent its being tarnished by sulphate of iron, or so called "smut" which sometimes develops within the can.

Agents in France state that all cases of lobsters and salmon must be marked in four-inch letters "Canada." Each can of tinned fish must also be stamped "Canada" on the cover of each tin, letters to be not less than 7 millimetres (or $\frac{1}{4}$ inch) long. This stamping of "Canada" on tins is required for fish only and not for lobsters, the latter being considered as "Crustaceæ" to which the stamping law does not apply.

Cases are sometimes broken. It is advisable to have them bound with iron stripping rather than nails. Some dealers use a machine which draws the iron stripping carefully over the box, setting it down into the wood. This makes a perfect box and prevents pilfering and breaking.

Dealers complain that sometimes certain lines of lobsters contain too much liquid. Lobsters should be packed, whole tail at bottom of tin, whole claws on the top, and some of the small meat in the centre.

The duty on Canadian lobster and salmon is 25 francs per 100 kilos, if the goods come direct to France. If they come to France via an English or other European port, the duty is 28.60 francs per 100 kilos. In 1915 and 1916 large quantities of salmon and lobster were shipped via New York to France. The Government, owing to the suspension of direct steamship services between the Dominion and the French ports, does not charge the duty at the rate of Frs. 28.60 via New York, as the law is construed to apply only to a second European port. But the shipment via New York being contrary to the provisions of the French tariff law regarding direct imports and minimum tariff, a special permit has to be obtained by the French importer for each individual consignment. In shipping via New York, dealers have to supply, besides the usual certificate of Canadian origin, legalised and visé by the French Consul at the point of shipment in Canada, a special certificate made out at New York, attesting that the goods, as set out with full particulars as to marks, quantities, name of steamers, etc., have been transhipped at New York "in transit" under Customs' supervision and without having sustained any other handling at New York. This declaration has to be legalised by the French Consul

at New York. The certificates must also indicate the name of the shipper, and of the buyer or consignee in France.

Cases of 48 1 lb. tins of salmon or lobsters weigh about 32 kilos gross, or 28 kilos net, including weight of tins.

The paper lining of tins of lobsters is most essential. It should be good, pure, vegetable parchment paper, so as to prevent acid from affecting the tins.

Except in two towns in France, there is an "octroi" duty in each city. This "octroi" on fish in Paris is nearly as much as the original duty of 25 francs per 100 kilos. As all these duties are specific and not "ad valorem" the tendency is for buyers in France to take the best goods and not the poor stock, as the duty is the same on each.

The dealers in Paris who sell out to the small stores make many losses by "swells" and by "black meat." A wholesaler in France has to guarantee the quality of his canned goods, sometimes from July to September, when he receives them, until the following February or March. The importance, therefore, of having the goods put up in the best way possible as to paper lining, quality, strength and condition of boxes, etc., is obvious.

All dealers prefer buying c. i. f. Havre or Bordeaux. Of the five kinds of salmon, not many of the high grade "Sockeye" have been used since the war, as the original cost is too high. "Cohoes" and "Pinks" are the largest sellers. Just now, on account of the war, the "Pinks" are selling well. It is thought that when peace is arranged, a large demand will spring up for "Cohoes." Dealers report that Canadian salmon are usually good stock. The half and one lb. "Pinks" sell the best. There is considerable demand for "Cohoes" in ordinary years. A Paris dealer bought in July, 1916, 10,000 cases "Pinks" and 5,000 cases of "Cohoes" for autumn delivery.

Canadian dealers must remember that there are no salmon at all canned in France, and with ordinary care and consideration for French needs, trade should rapidly increase.

The French trade prefers a firm salmon; any that are at all soft tend to lower Canada's reputation among the dealers in canned goods.

SARDINES, SPRATS.—Sardines are, of course, canned in France, but best quality only, while large quantities of sardines of medium and cheap grades come from Spain and Portugal. Sprats come from Norway, the latter being slightly smoked and going by the name of "Brislings."

If the Canadian canners desire to offer true sardines, they should print on the label the words: "Sardines, Poissons à l'Huile." If the

fish are not true sardines, but some other kind of fish, then they should be marked simply "Poissons à l'Huile"; omitting the word "Sardines." Otherwise, the goods will be stopped by the Customs authorities and heavy fines may be imposed on the importers for fraudulent trade description. All canned sardines, sprats or fish in oil must be stamped in the lids or bottoms of cans in at least 4 millimeter characters: "Importé du Canada."

The "key" sardine tin is much liked in France, especially that kind of which key rolls up the top or cover of the box and leaves the fish completely exposed. The key needs to be laid in a groove on the tin, and then it will come in with the weight and not pay a special duty.

SMOKED SALMON.—There is a special high grade, sliced, which sells at a good price in $\frac{1}{4}$ and $\frac{1}{2}$ lb. tins. These must be put up in first class olive oil. They are also sold in small tinplate drums that will hold about 3 kilos (6 $\frac{3}{5}$ lbs.). It is perhaps not advisable to make consignments of smoked salmon, but it would be worth while to send samples to responsible agents. Shippers of canned goods should be careful to familiarise themselves with the French laws concerning duties, stamping tins, certificates of origin, etc., before putting their goods on the French market. For this purpose we append extracts from the law:—

"Stamping Regulations of Canned Goods. The Act July 11th, 1906, prescribes that all foreign canned sardines, vegetables and plums coming into France, should bear the name of their country of origin stamped or embossed on the cover or bottom of the tin in letters of at least 4 m/m long."

A bill in amendment of above was adopted by the Chamber of Deputies and the Senate on May 13th, 1913. This amendment makes applicable to all foreign canned fish coming into France, the stipulations of the Act of July, 1906. During the discussion, it was pointed out that canned molluscs or crustaceans (such as oysters, lobsters, langoustes and crabs) would not be subject to the terms of the Act, as they were not fish and were classified differently in the French Customs Tariff —(See French Tariff, items 48, 49 and 50).

At the request of the Dominion Government, Canadian canned salmon was exempted from the application of the Act until June 29th, 1914. Canned lobsters and other crustaceans have never come under the operation of the Act.

FRENCH TARIFF ON FISH

SECTION —		General per 100 kilos.	Minimum per 100 kilos.
No.	—Fresh Salmon Trout.....	40 fcs.	25 fcs.
45	—Pike, Carp, Eel.....	12 fcs.	8 fcs.
No.	—Dried Cod.....	60 fcs.	48 fcs.
46	—Salted or Smoked Herring.	20 fcs.	15 fcs.
No.	—Canned, Pickled or other-		
47	—wise prepared.....	50 fcs.	25 fcs.
No.	—Lobsters, fresh.....	40 fcs.	15 fcs.
49	—Lobsters.....	40 fcs.	25 fcs.

Canada has the benefit of the minimum tariff. The Commission recommends that the French Government be asked to make the duty on canned lobsters the same as that on fresh lobsters.

Products of the Mine and Allied Manufactures

METALS AND MINERALS.



S in Great Britain, the Commission found there were many enquiries for Canadian Metals and Minerals, and every desire was manifested to obtain what might be required by France and what Canada could ship.

ASBESTOS.—The Commission discovered that this had been obtained chiefly from Germany, and there were many enquiries from France for the article in its various forms. Many of the enquiries were directed towards the manufactured products.

It is still an open question whether it will not pay Canada better to ship asbestos as “fibre” or in the crude state, rather than manufacture in Canada, owing to the high cost of labor. In any case there is a big demand in France for this particular mineral. There should be without question a large outlet in France for it in all its forms.

ANTIMONY.—There were enquiries for this article. Now that Canada is able to produce a product which is free from the objectionable features which have hitherto created a prejudice against Canadian antimony, provided prices and terms are satisfactory there is a large demand for the article.

MAGNESIUM METAL.—Enquiries were also made for this metal, but they were limited, due no doubt to the fact that it is not yet well known that Canada is a producer of magnesium metal of very superior quality.

The Commission made the fact as well known as they could that Canada is now manufacturing this article.

Probably if the fact were judiciously advertised in France, through the proper channels, a much larger trade could be secured.

MOLYBDENITE, VANADIUM, IRON TITANIUM ORES.—Enquiries were also made for these, but the supply being so limited at present, the Commission can simply report that there is a demand for these in France if they are available.

ZINC (SPELTER), LEAD (PIG) refined, ready for rolling; COPPER INGOTS.—French importers are ready to receive offers of these three metals as soon as Canada is in a position to offer them.

PIG IRON.—There were enquiries for this article, and an importer claimed that he had written to Canadian producers without receiving any reply.

HIGH SPEED STEEL.—There were enquiries for this, with an indication that if price and quality were right, there was a very large field in France for Canadian products.

CORUNDUM.—As in Great Britain, the Commission met with a demand for this. There are indications that for the right material there is a good opening in France for corundum and other abrasive products.

MAGNESITE.—It did not seem to be recognised that Canada was a very good source for this material. Large supplies are obtained from Greece, Hungary, India, and as the Canadian product is of a particularly high grade, it is well worth the attention of the producers to study the French market, as the Commissioners believe that it will prove to be a profitable undertaking.

CHROME ORE.—There is a demand for this in France, and if the Canadian producers can offer the right grade, there should be no trouble in disposing of large quantities.

MICA.—There is also a demand for this in France, particularly for electrical purposes.

The Commission also received enquiries for mica sheets in layers, the medium for binding being shellac. The firm enquiring said the prices in Canada they found were twice as high as those of the English, Swiss or German makers, but they believed that Canada could produce as good an article, and at competitive prices, if the trade were better understood.

TUNGSTEN.—There is a large outlet in France for this. The Commission at many points were asked for this article, all of a character which indicated that large quantities could be sold, if available.

COBALT.—Enquiries were made for metal and for "tailings." Owing to recent researches in connection with this article demonstrating its utility as an electroplating material and as a valuable alloy in steel, there is likely to be a much bigger demand.

NICKEL.—The Commission was asked if it were possible to obtain this article direct from Canadian manufacturers. The buyers stated that the article was apparently in the hands of a trust, and if they wanted supplies they had to pay heavily for the relatively small quantity they required. One leading engineer suggested that in all probability the difficulty would be overcome by the adoption of a system of co-operative buying by the small users, thus securing the best possible terms. If it

were possible to supply the metal direct from Canada, it would appear that a much larger trade directly benefiting the Dominion might be obtained.

CHEMICALS

(Manufactured from various natural resources)

The Commission found that, as in Britain, the chemical factories were devoting their attention specifically to the manufacture of munitions. Fine chemicals even for medicinal use were only being manufactured in such quantities as would meet the requirements of the public and particularly of the Army, and all were under the control of the Government. Very large extensions had been made to plants existing before the war, with a view of increasing the output of chemicals required in the manufacture of explosives. Apparently the situation in this respect was ample for the needs of the French nation.

The Commission was informed that after the war there would be a very considerable development in the production of aniline dyes and of synthetic coal tar products. Steps were being taken to organize various factories on a basis which would prevent overlapping.

France possesses many important industrial districts devoted to chemicals, particularly various points on the banks of the Rhone, where the cheap water transit enables the manufacturers to handle their products with a minimum of transportation charges.

Canada possesses considerable interest to the chemical manufacturers of France, for the simple reason that the Dominion can produce a large number of chemicals obtained from the distillation of wood. Among these may be mentioned Acetone, for which enquiries were made, and as soon as Canada is in a position to offer this article, provided prices and transportation are favourable, a good trade will result.

ACETIC ACID will also be in demand when supplies are available for export, and there will be a demand for the glacial 99%.

The Commission received many enquiries for Formaldehyde, especially in Bordeaux, and there is a demand in other centres of France as well.

For Wood Alcohol there were also many enquiries, and given favorable conditions, there is no doubt that this Canadian product will find a good outlet in France.

BRONZE POWDERS.—The Commission found that there were enquiries for these of all grades, and it is possible that Canada may find herself a very large shipper of bronze powders as a result of the growing demand, and the fact that practically the only producing country in the past was Germany.

Other Manufactures

KNIT GOODS AND TEXTILES

The class of textiles and knit goods manufactured in Canada will scarcely meet the requirements of the French taste, and against the French tariff it would be difficult to compete.

However, as stated in the section of the report dealing with the situation in Great Britain, present day conditions should not determine the question of export trade. Our manufacturers must look ahead, and no market should be classed as impossible without having had a trial.

French Exports to Canada

As has been emphasized in the introductory remarks on France, our Ally is the home of artistic production, and the goods which we have been accustomed to receive from her in the past, and which should form the basis of increased trade in the future, are those which cater to the refined and aesthetic side of our national life. Even the war, and the terrible inroads which it has made upon the industrial life of the country, through invasion, conversion of factories, and worst of all, upon the lives of the people, have not by any means stopped the manufacture of the beautiful things for which France is renowned.

In its travels, the Commission saw many factories and work centres. It cannot hope to do justice to all which it saw, but commends to its countrymen, among others, the commodities mentioned below.

WINES

Canada's imports of wine from France far exceed those of any other French commodity. France is the vineyard of the world, particularly in the finer grades of wine, and providing that war does not make economies more necessary than heretofore, French wine imports should continue. In any event Bordeaux, Rheims, Lyons, Marseilles, Grand Chartreux and other wine centres will continue to be the points from which the Canadian dinner table and banquet hall will be chiefly supplied.

TAPESTRIES

At Paris, Aubusson, Felletin, Lyons and other centres visited, the Commission saw the work of wonderfully skilled weavers of tapestries

which hold a reputation in the world almost akin to that of the master painters. It is not necessary to more than remind the Canadian public of the beautiful creations and reproductions of old tapestries which are available in France.

PORCELAIN

When in Limoges, the Commission had the opportunity of seeing the wonderful porcelain industries which are established in that city. From the extent of the factories, the diligence of the workpeople, and the wonderful artistic qualities displayed in the products, there is little doubt in the minds of the Commission that the porcelain industry of France will always hold a prominent position in the world.

Nowhere are the wonderful artistic qualities of the French people seen to better advantage than in these beautiful porcelain creations. In the wonderful Museum of Potteries, which the Commission had the privilege of visiting while in Limoges, are to be seen samples of potteries which have existed since the beginning of the industry in France, as well as many examples of the old Babylonian, Greek and Roman wares.

The exports of porcelain from France in 1913 amounted to 22,221,035 francs. This includes only the white and decorated china, exclusively products of France.

The porcelain industry is one of the leading manufactures in the whole country, and one which Canadians can patronize to advantage, not only in the assurance of having an article of wonderful superiority and highest art, but also in assisting and developing an industry which must be maintained now in place of intense competition from the enemy countries.

CUT GLASS

France still commands a high place in the fabrication of Cut Glass. In Paris and neighborhood some of the most charming specimens of cut glass were still being made; she is likely to long maintain her lead in this respect.

The Commission was impressed with the great possibilities of extending Canadian imports from France in those lines of goods in which the French people stand pre-eminent, and in which Canada is as yet lacking.

As has been stated in the introduction, the articles which Canada may import are chiefly of a fine and costly nature or are peculiar to France among the nations of the world.

PERFORATED METALS

Some firms in France have specialized in this direction and they offer an enormous variety of perforated designs, to be used as grilles, sieves, etc. The centre of this particular business is in Lyons, and the products turned out are of fine quality.

The French manufacturers are able to offer snap-fastenings for gloves, dresses, etc. The output at the present time is limited owing to part of the manufacturing plant being taken for use in the making of munitions.

WATCHES

The Commission was pleased and surprised to find the extent to which France could provide cheap watches in competition with the German and American types. At Haut-Rhin Français they found remarkably well equipped factories turning out an enormous number of watches to suit the largest of all markets; the prices being attractive to all buyers. At Besançon particularly the Commission found the finer grade of art watches, and at an exhibition held in the town hall of Besançon they had an opportunity of seeing some of the most exquisite examples of the watchmaker's and the jeweller's art combined. At Montbéliard also they found extensive industries paying special attention to the manufacture of recording instruments of all kinds, including watches, taximeters and speed-indicators.

GLOVES

France is particularly well equipped for the production of gloves, which seem to be principally made in the neighborhood of Grenoble. The French manufacturers are not only making gloves now of the various forms of kid but they are also producing successfully the textile gloves which have heretofore been so largely a product of Germany.

At the present time the glove makers seem to be full of orders in France, but undoubtedly Canada can look with assurance to our Ally for the supply of these goods, especially of the better qualities.

SMOKING PIPES

The manufacture of these is practically confined to the St. Claude district in the Jura. The quality of the products is surprisingly good while the quantity turned out daily appears wonderful to those unfamiliar with the demands for briar pipes. The Commissioners found that a

good trade was being done in briar pipes with Canada at the present time and the manufacturers were looking forward to an extensive trade after the war, although they confessed that they expected a much larger trade among their own returned soldiers who had learned from the British the practice of pipe smoking in the trenches.

“ARTICLES DE PARIS”

No other title so clearly expresses one phase of French world trade as the above. La Rue de la Paix, La Place Vendôme and La Place de l'Opéra at once symbolize and largely provide the beautiful articles of personal and household adornment known throughout the world. Other countries await the touch of French genius which dictates fashions and supplies beautiful materials with which to carry them out. The textile, jewellery and furnishing industries from all parts of France contribute to the magnitude and high standard of this industry.

THERMAL ESTABLISHMENTS

The Commission found in France that great importance was attached to the appreciation of the French hydropathic establishments, and the Commissioners were given opportunities of inspecting the principal thermal establishments during their tour, and can bear testimony to the excellent system under which they are run. In all cases they are under the direction of fully qualified and distinguished doctors who are in their particular branch specialists for the diseases which may be treated.

Our French friends desire to point out the advantage of replacing the German and Austrian thermal establishments by the French institutions for curative treatment, and claim with a large measure of reason that they are able to provide in France any form of treatment which may be desired.

It is well to note that all the thermal establishments of France are situated in the most beautiful spots of the Savoy, Jura, Auvergne, Dauphiny, the centre of France, etc., and these points are easily reached from Paris, by the Paris, Lyons and Mediterranean and Paris Orleans Railway System. These railways have made arrangements for a series of delightful automobile drives through some of the most exquisite scenery of France. The Commission has much pleasure in commending the French hydropathic treatment of disease to the attention of their fellow Canadians.

It is to be noted that in nearly every case the thermal stations of France are of great antiquity, most of the baths having been elaborated and made much use of by the Romans, who have in many cases left

interesting monuments behind of the appreciation in which they held the bathing establishments that are now catering to modern civilization.

It must be understood that the list given in the appendix does not exhaust the offers of relief and cure to the invalid and of interesting travel to the tourist, they simply happen to be those which were more particularly brought under the notice of the Commission in its travels.

THE LYONS FAIR

It is the opinion of those Canadians who visited the "Foire d'Echantillons" (Samples Fair) at Lyons in March, 1916, that this Fair offers an excellent medium by which Canadians who are seeking French market can get into touch with prospective customers. The Fair was organized late in 1915 which the aim of displacing, so far as the Allies and Neutrals are concerned, the Leipzig Fair which since the 16th century has played an important part in the commercial machinery of Europe. Credit for its organization is due principally to Senator Herriot, Mayor of Lyons, who received every assistance from the business men of his city. Although very little time was thereby allowed for organization, it was decided to hold the Fair at the same time as had been found best at Leipzig, viz., 1st to 15th March.

The exhibits, of which there were about one thousand, were housed in portable wooden houses attractively located on the quays of the Rhone on both sides of the river. These houses were about thirteen feet square and an exhibitor could take one or more. Exhibits, as far as possible, were grouped so as to bring together all those comprising the same or similar lines of goods. The advantage of stands of this kind as compared with the open booths, usually used, is that they are more private, and less of the exhibitor's time is taken up with the idly curious. To all intents and purposes he has a shop of his own where he can talk business with a customer and which he can lock up when he so desires.

In spite of the short time at their disposal a few Canadian firms represented in London decided to exhibit at Lyons and stands were taken by the Canadian Pacific Railway, Export Association of Canada, Limited, Dominion Bridge Company, Limited, and Dominion Rubber Company, Limited. They all report themselves highly satisfied and recommend participation in the Fair to anyone who desires to do business in France or in other European continental countries. Buyers were present at Lyons from Great Britain, France, Switzerland, Italy, Spain, Morocco, Norway and other countries, and the Fair was successful beyond the most optimistic dreams of its organizers.

The advantages to exhibitors suggested by those having experience are:

(1) The exhibitor is enabled to meet buyers from all over France and from neighboring countries without having to undergo great travelling expenses and without waste of time.

(2) An excellent opportunity is offered of getting in a short time an insight into the business methods of the people whom the exhibitor meets and he is also enabled to get information about the goods offered by his competitors.

(3) The exhibitor is placed in the favorable position of having the buyer "come to him" instead of having to approach the buyer.

It is intended to hold the Fair annually during the first fortnight in March and those intending to exhibit next year should lose no time in making their arrangements. They should also keep in mind the following:—A representative must be sent who can speak French. He should have an exhibit—which should be as attractive as possible—of samples of goods which are expected to be sold in the French market, and he must know those goods and be able to quote firm prices—in French money, for them delivered in a French port. (This may be modified somewhat by war conditions). It must be remembered that the Fair is not merely an exhibition, nor on the other hand are goods sold over the counter; it is a place where the seller and buyer meet and where orders are taken for future delivery.

From all that the Commission can learn it believes that the Lyons Fair will be a permanent institution and that it will be well worth while for Canadians to avail themselves of its advantages. Those interested should write to the Secretary at Lyons, France, or to the Canadian Commissioner-General at Paris, for further information.

THE BORDEAUX FAIR

With the idea that the industries and commerce of France will be greatly developed by two fairs a year, instead of one, and believing that the southwest of France has interests which are distinct in many ways from those of central and eastern France, the citizens of Bordeaux have organized the Bordeaux Fair, which was held for the first time from the 5th to the 20th September, 1916.

This fair continues a tradition which reaches far into the past. The Fair of olden times was somewhat local, whereas the Fair of to-day is expected to develop and strengthen relations between all France, on the one hand, and her Colonies and the United States, South America, Canada and Central America, on the other hand.

The Syndicate which has charge of the Fair has the patronage of some of the most important officials in France, and includes in its members many of the most prominent manufacturers, financiers and publicity men of Bordeaux and the Southwest, as well as Senators and Deputies.

Complete arrangements were made for the housing of samples in the Place de Quinconces, in the centre of Bordeaux, a beautiful public place admirably situated for the purpose.

While it was not possible for the Commission to be present at the time of the Fair, the reports of the great success of the event which have since reached them, together with the very clear impression of the abilities and zeal of the men of affairs whom they had the privilege of meeting in Bordeaux, convinces them that the Foire de Bordeaux will indeed become an important annual event. Undoubtedly the relations which Canada may hope to have with France in the future, will run to no small extent through the channels which this institution has created.

ITALY

Introductory



ITALY possesses an area of 114,410 square miles. In the past twenty-five years her industrial progress has been quite remarkable. Despite the enormous drain of emigration the population has increased from twenty-eight millions to nearly forty millions today. Since 1881 Italy has been transformed from a purely agricultural into a distinctly industrial nation. In the northern provinces are to be found great and flourishing manufacturing industries of almost every class. While the country is without coal deposits, the Italians have turned their attention successfully to the development of hydro-electric power along the Alpine frontier, in the Appennines and elsewhere, and the employment of "white coal" for industrial purposes, lighting, traction and domestic use, is now very extensive.

Central Italy has improved and raised its wine and oil production to an important position in Europe. Southern Italy and Sicily have contributed their quota to the general national progress, and stand pre-eminent for their crops of citrous fruits, their mineral resources, with sulphur as the chief product. In examining the potentialities of the Italian market for the extension of Canada's trade exchange the economic value of Italy's geographical position is a factor of outstanding significance. One realises at the outset that Italy is only a part—although the most important part—of the larger market of the Mediterranean. Centrally situated on the Mediterranean, Italy's economic requirements are uniform with those of her neighbours in the East and West.

Italy's coast line is dotted with excellent and well equipped ports which facilitate trade to an unusual degree.

It is a fact that in the past the staple products of Canada, such as lumber, dried codfish, wheat, etc., have been able to compete successfully in the markets of the Western Mediterranean as and when shipping facilities have been available.

The economic advantages possessed by Genoa for Italy and Central Europe compare favorably with other ports of the Mediterranean. Milan and its surrounding district is most densely populated; it is at once a hive of industry and a great distributing centre. It is naturally dependent upon Genoa for its important import and export trade. The port of Leghorn for Tuscany and Central Italy grows steadily in importance as a channel for imports. Naples, the largest of Italian cities, with a population nearing one million, has developed enormously of late years. The creation of a free zone for manufacturing purposes adjoining the port, has led to the concentration there of many industries, and to the building up of an increasingly important consuming centre for a great variety of raw materials and food products. Finally, Palermo, Messina and Catania occupy positions of strategic-commercial importance not only for the trade of Sicily but as ports of call for shipping from all parts of the world with the East, the Eastern Levant and the Black Sea.

Italy's foreign trade exchange in 1913—the last normal year—were with the following five principal countries:

	Imports	Exports
Germany	\$118,204,000	\$65,299,000
United Kingdom	116,010,000	50,394,000
United States	97,584,000	50,000,000
France	54,208,000	44,000,000
Austria Hungary	51,000,000	42,000,000

Italy bought twice as much from the United Kingdom and Germany as she sold to those countries. Great Britain's chief export to Italy was coal: 8,000,000 tons as against 1,000,000 tons from Germany. The absolute predominance acquired by Germany in the Italian market in manufactured products is very clear. It furnishes the measure of the opportunity that exists for the allied countries. Of the imports from Austria-Hungary two-fifths represented partially and fully manufactured articles. Of the United States imports (some seventy-five million dollars) represented such characteristic products as raw cotton, tobacco, copper, cotton, seed oil, coal oil and pitch pine lumber.

OPPORTUNITIES FOR EXPORTING TO ITALY

Trade relations between Canada and Italy are of comparatively recent date. While there have been small exports from Canada to Italy since Confederation, and while imports from Italy have always attained some importance, the total volume of trade between the two countries

in 1913 was approximately only 25,000,000 lire *(less than \$5,000,000.00). This, while small, indicates that there is a possibility of trade, for less than ten years ago, in 1906, the Italian export to Canada amounted to only 277,000 lire, and the Canadian exports to Italy were only a little more than one-and-a-half million lire. Since 1906, therefore, the exports from Canada to Italy have increased ten times, and Italian exports to Canada are now thirty times those of 1906.

This is an excellent showing, and it is fair to expect that the future commercial relations between the two countries would be large even without the bonds which the war has thrown around the two countries. Further, there are more than 40,000 Italian immigrants in Canada who constitute an important influence in the commercial relations between the two countries.

The importing capacity of Italy is indicated by the table given below, based upon imports and prices immediately prior to the outbreak of war.

Grain	about 400	Million Lire
Coal and Coke	" 400	" "
Raw Cotton	" 250	" "
Machinery	" 160	" "
Wood	" 150	" "
Raw Silk	" 50	" "
Cast Iron	" 30	" "
Wool	" 90	" "
Coffee	" 50	" "
Instruments	" 70	" "
Hides	" 130	" "
Oats	" 20	" "
Horses	" 25	" "
Silk Goods	" 50	" "
Salt Fish	" 40	" "
Fish in Oil	" 15	" "
Cocoons	" 50	" "
Woollen Goods	" 60	" "
Ships	" 25	" "
Iron and Steel	" 130	" "
Tobacco	" 40	" "
Oil Seeds	" 50	" "
Copper, Metals, etc	" 60	" "
Petroleum	" 20	" "

*Lira = 19.3 cents

In the last two years preceding the war, the Italian imports from Canada were as follows (Italian Government figures):—

	1912	1913
	In thousands of lire.	
Wood	932	11
Wood Pulp	115	115
Agricultural Machinery	247	133
Other machinery	33	15
Asbestos	1,734	1,279
Hard Wheat	898	923
Soft Wheat	198	1,204
Cod Fish and Stock Fish	9,317	10,695

As will be noted, wheat, asbestos and cod fish form the largest imports. It should be observed, however, that the cod fish comes principally from Newfoundland, and the accurate figures of Canadian importations are not easily obtainable. The Canadian export figures in the same commodities according to the Canadian Government trades statistics are as follows:—Wheat, 1913, \$274,667.00; Asbestos, 1912, \$4,358.00, 1913, \$7,430.00; Cod Fish, 1912, \$173,621.00, 1913, \$200,069.00.

The many hundreds of enquiries which have been received from Italy since the outbreak of the war indicate the diversity of the requirements of the country, and point to the conclusion that a great number of the articles in demand are of a character which Canadians are perfectly able to supply, if the industries concerned are organized to that end. Italians are anxious to, and must necessarily, revise their sources of supply in the future—hence the encouragement for Canadians to investigate the market, and get into touch with its needs and methods of business.

The climatic conditions in Italy make it easy for most of the population to live comfortably with fewer of what are considered the necessities and comforts in the northern latitudes. Canadian exporters will have to bear this in mind as it will indicate that many commodities ordinarily in use in Canada, Great Britain and France will not appeal to the Italian purchaser. The goods required are of a less expensive quality—a point on which the Germans seized with great zeal. The Canadian manufacturer who wishes to export to Italy must face the demand for long credits, although even in this respect much exaggeration has occurred. Careful selling so as to relieve the Italian merchant from the necessity of buying in large quantities is most desirable.

The Commission was informed on the very highest authority that Italy will not be able to maintain after the conclusion of peace, the modes of payment, and, generally speaking, the customs in trade introduced during the European War. International competition will sooner or later make payments at three months or more from date of shipment again customary.

The Italians fully expect Germany to make tremendous efforts to overcome her present disability, and the recommendation is strongly made by Italian men of affairs that Canadians organize their trade in such a way as to concede a liberal degree of credit to the Italian firms with whom they will initiate relations.

ITALY AND GERMANY

During the past twenty-five years a vast amount of German capital has been poured into Italy with the object of exploiting her natural resources. The result has been the development of a large number of industries and the adoption of German methods in very many factories. In the industrial centre of the country, Milan, prior to the outbreak of the war, there were 10,000 Germans who were engaged in various occupations, particularly in those industries which centre around the development of electrical power. This factor threatened to imperil the initiative of the Italians in this direction, especially as Germany in a large measure absorbed the electric power companies in the *Electricitäts Gesellschaft*.

In order to maintain her commercial supremacy, Germany made special provision through her export freight rates to command the Italian market. As an indication, it was stated that the export freight rates from Germany to Italy on certain agricultural implements was one-tenth of the rates imposed when the same goods were sent from Italy to Germany. This example will sufficiently demonstrate the measures which Germany was willing to take in order to secure Italian trade, and at the same time to discourage the Italian native industry.

METHODS OF DOING BUSINESS IN ITALY

The Banca d'Italia is Italy's Bank of England. It has rendered great service in the development of the country, particularly as it has been entrusted with the confidence of the Italian Government, and is represented on some of the Government Committees, such as the National Institute of Co-operative Credit.

So far as Canadians are concerned, as British subjects they will take a great interest in the Credito Italiano, which has now formed, in conjunction with British interests, an organization which is of the highest importance in relation between the two countries. This institution, known as the "British-Italian Corporation, Limited," with a capital of \$5,000,000, which has already been subscribed, chiefly by banks, has for its object the fostering of trade between Italy and the United Kingdom. The British Government will contribute an annual subscription of \$250,000 a year for the first ten years of working, which will be repayable, without interest, out of all profits above 5 per cent. per annum on the subscribed capital. An Italian company, with a capital of \$2,000,000, is to be formed to work in conjunction with the British-Italian Corporation, half of its capital being subscribed by the corporation and half by the Credito Italiano and its friends.

The creation of this financial corporation is to meet the demand which has been for a long time expressed, for some system of assistance to British exporters to incur the quite legitimate risks of export trade which are a little beyond those ordinarily accepted under the solid and conservative policy of British banks. This careful policy has been the foundation of the British financial system which has made Britain's credit paramount throughout the world. The new banking project above mentioned will be administered in a spirit at once cautious and liberal, and will confer great and solid benefits on British trade without taking any speculative or illegitimate risks.

It is of interest to Canadians that one of Canada's largest banks is taking an interest to the extent of \$50,000 in the British Italian-Corporation Limited.

In Italy the Commission found the keenest interest in financial relations with Canada. A desire was strongly expressed that dealings in this respect between Italy and the Dominion should be direct and not through another medium as at present, in order that any loss in exchange or restriction of movement of money should be entirely obviated.

The opinion was expressed that Canadian banks might, with advantage, consider the question of entering into arrangements whereby the banking between the two countries might be facilitated.

At one conference (Milan) upon the question of finance, a prominent financier expressed his strong desire that there should be practical co-operation between the two countries in order that the two peoples might know each other better. To this end he suggested that twenty young Italian commercial students should be sent to Canada for a period of, say, two years, in order that they might study the Canadian market and

the methods of doing business in the Dominion. In return, Italy would be glad to receive a corresponding number of young Canadians who are entering commercial life, who would be given ample opportunity of studying Italian conditions, methods and requirements. This gentleman expressed his willingness to take into his offices ten such young men, who would be given every opportunity of becoming fully acquainted with Italy's needs in the direction of commerce.

ITALY IN THE WAR

Enough has been said of the changes wrought by Italy since her entry into the war to indicate the spirit of the people, and their strong desire for independence of German control. Italy's neutrality proved for a time very damaging to the country, as industrial confidence was destroyed. Once war was declared on Austria the situation underwent an entire change, and the national industries, which for years had suffered from the Austro-German dumping system, began to work again with great intensity.

The steel industries took on new life, and in a short space of time considerably improved their output both in quantity and quality. The future of the Italian steel industry is most promising owing to the hydro-electric development now contemplated.

Electrical appliances, cotton goods, silk and woollen fabrics, were produced in astonishing quantities soon after the declaration of war.

In 1915, one hundred and sixty-three new industrial companies with a total capital of 102.6 million lire were established, and ninety-eight limited liability companies increased their capital by 94 millions of lire.

With her large investments in Germany, and with so many industries in the hands of German capitalists, Italy has been brave in asserting her independence of the Central Power. Now that the breach has come, it is evident that trade between Italy and the other nations of the Entente must be developed upon a permanent basis.

This, in conjunction with the fact that Italy's products are such as will form a return cargo in tramp steamers to Canada, makes it distinctly desirable that all efforts should be bent towards a further interchange of commodities.

When the transportation problem is solved there should be little difficulty in making profitable interchange along the lines which the following report will indicate.

Canadian Exports to Italy

Products of the Farm and Allied Manufactures

WHEAT



ITALY requires annually for the support of her population and her manufactures, imported wheat to the extent of 1,000,000 to 1,500,000 tons. The harvest of 1913 was a record one, hence the imports for the succeeding year were abnormally light. The wheat imports for 1912-13 and 1913-14 were as follows:—

	SOFT	HARD
1912-13	1,320,847 tons	807,213 tons
1913-14	690,500 “	698,000 “

The imports by countries in 1913 of wheat will be found in the Appendix.

United States hard wheat, especially of the “durum” variety, for the manufacture of macaroni, is now shipped regularly to Italy. There is hardly a port in the country which does not receive large consignments of wheat. In normal times the bulk came from the Black Sea, and is of Russian and Roumanian origin. The “Tagansrag” variety of Russian wheat is in favor with the macaroni factories on account of its high percentage of gluten. During the course of the war Italy has been dependent upon the United States and Canada for her wheat requirements.

While there is some difference of opinion as to the relative merits of Russian and Canadian wheat for the manufacture of macaroni, the largest manufacturer of “pastas” in Italy told the Commission that the Canadian wheat was the best obtainable. Friendly Russian competition may be expected, but Canada has every possibility of a splendid Italian development. Canadian wheat is greatly assisted by the high reputation of Canadian Government inspection. This inspection is a large factor in securing the best prices.

The grade No. 1 Northern as established by Dominion officials is greatly favoured in the Milan districts for the manufacture of “pastas.” The Commission was advised that it would be best to make definite arrangements for direct dealing between Canada and Italy to avoid mixing of the grain, as is sometimes practised by the dealers at seaboard.

At present the duty on flour is double the duty on wheat. As one hundred kilos of wheat yields sixty kilos of flour, the balance is thrown in favor of the importation of wheat.

CANNED VEGETABLES, FRUIT AND MILK

Up to 1916 Canada was not able to sell Italy canned goods of any description.

The Commission is of opinion that a vigorous campaign for promoting the sale of Salmon would bring good results, as the Italian Government is disposed to reduce the tariff on this article, so that it may become a popular food. We doubt, however, if we can ever hope to place many canned vegetables or fruits in Italy. They have such a rotation of, and so many, crops, so much fruit, and Swiss milk and cream are so near, that Canada could not hope to compete.

Products of the Forest and Allied Manufactures

LUMBER



IN 1913 Italy imported 13,748,000 tons of Lumber valued at \$27,500,000, two-thirds of which came from Austria-Hungary. The full details of the imports in 1913 will be found in chart form in the appendix. The United States contributed \$3,500,000 in pitch pine and oak staves. Canada occasionally sends cargoes of deals into the Western Mediterranean, but no regular trade has been established so far. The large box shook trade for the export of Sicilian lemons and for the tomato and pasta factories, which was originally supplied from the United States, should offer possibilities in the future for our lumber interests in the Maritime Provinces. But the Italian lumber market will require to be considered in conjunction with that of Spain and the French possessions in Northern Africa, where the opportunities in the future for Canadian lumber generally will be large.

Italy has thirty-seven shipbuilding establishments and the introduction of Douglas fir is said to be feasible.

Prior to the war, pitch pine came into Italy from Austria at \$18.00 to \$20.00 per thousand feet, board measure. It would therefore appear that Canada cannot easily compete, but the market is one which it would pay well to study.

Owing to the war there is a great demand for railroad ties, telegraph poles and planking. High freights and the comparative lack of return freights form the general drawbacks. Return freights are to be found in a measure in corkwood, mineral ores from Sardinia, and salt.

It may be added that Italians understand with difficulty North American technical trade expressions. Quotations for running feet are unintelligible to them. On the other hand cubic feet can easily be converted into cubic metres. It is always advisable to conform to the specifications in regard to minor details, thus railroad and telegraph poles are demanded bored, drilled, chamfered, or turned in a certain manner. This work, it is said, would not be profitable to undertake, and contracts therefore should be secured excluding such details.

ASH.—There was also a demand for this wood. It was formerly obtained from Austria and Switzerland. It can be supplied with advantage by Canada. Ash is largely used in Italy for wheels. One

manufacturer of carriages and aeroplanes asked for a sample lot of ash in the rough, as he would like to import this from Canada, if possible.

SPRUCE.—While in Italy the Commission had the privilege of meeting some of the largest of the manufacturers of aeroplanes. As this industry is to exist not only during the war, but also for commercial purposes afterwards, it is evident that there will be a demand for the class of wood which Canada can supply and which will enter into the manufacture of these machines. To date no wood has been found to be more satisfactory than Sitka spruce, which grows upon the shores of the North Pacific in British Columbia. The wood has wonderful properties of lightness and strength, and is admirably suited to the construction of aeroplanes. Undoubtedly after the war there will be a permanent trade in this timber. In the meantime, some use can be made of the spruce of the Eastern Provinces, such as grows in Quebec, New Brunswick and Nova Scotia. Although excellent for lumber purposes, this wood does not possess the peculiar qualities of the Sitka spruce, but is to some extent utilisable in the making of aeroplanes.

PULP

The Pulp situation in Italy was summed up by a prominent pulp consumer in Milan as follows:—

Italy produces per annum 5000 tons of mechanical pulp and imports 10,000 tons. She produces no cellulose but imports 80,000 tons per annum. She produces 300,000 tons of paper of all kinds and exports from 50,000 to 100,000 tons per annum to various countries, chiefly South America, Australia, Japan and the West Indies. The requirements of bleached sulphite pulp are about 30,000 tons per annum. The prices at which chemical pulp has been imported have been as follows:—

Bleached	\$52.60	per short ton f.o.b.
Easy bleaching	42.20	“ “ “ “
News quality	35.00	“ “ “ “
Mechanical pulp	21.00	“ “ “ free on the frontier.

The paper maker who gave this information stated that after the war the prices c.i.f. per short ton of pulp will probably be about as follows:—

Bleached	\$88.00	to \$105.00
Unbleached	52.50	“ 62.50
Mechanical	23.00	“ 25.00

These are all air-dry quotations.

The Italian consumers laid emphasis upon the requirements of bleached sulphite, and upon the fact that this quality stands an ocean freight rate better than the cheaper pulp.

The short distance to Austria makes it simple for Italian manufacturers to secure their pulp at low rates. While some Italian manufacturers state most definitely that they intend to sever completely their trade relations with Germany and Austria, the competition from these sources must still be expected. Also there will be the Norwegian and Swedish competition. While at the prices given above and in the face of present day freight rates the business may not look inviting to Canadian manufacturers, the state of affairs which may be brought in by fiscal arrangements after the war should be carefully watched in order that any opening to trade with Italy may not be overlooked.

Products of the Sea and Allied Manufactures

FISH



ODFISH constitutes the bulk of Italy's fish imports of about seven million dollars per annum. Norway is the principal source of supply, furnishing over one-third of the total. Canada sends somewhat more than one-quarter. Denmark, Great Britain, France and the United States make up the balance.

Canada has an excellent chance to compete with Norway, since while the shortness of the ocean haul is in Norway's favour, the transatlantic cod keeps six or eight months, whereas the Norwegian cod is said to deteriorate rapidly. Again, while it may be that a part of the imports of cod credited to Canada originate in Newfoundland, the Italian market does not favour the dark Newfoundland pack, but prefers the Copenhagen style, which is much like Eastern Canadian pickle-cured medium cod, i.e., pickle-cured, then pressed and dried slightly.

The dealers in Northern Italy are accustomed to buy haddock and cod, soft-cured, in bundles of 100 kilos, wrapped in sacking and firmly corded. The fish are 14-16 inches long. The southern market, as represented by Naples, prefers the stiff, board-like curing.

Canada's exports of fish to Italy may be developed to include other varieties than cod. Britain brings in many cargoes of Western Hemisphere fish, which are at once shipped out to Italy. Britain sent Italy in 1913 some 5,000 tons of dried herring, valued at nearly \$2,300,000.

Given direct steamship communication with Italian ports, such as Naples or Genoa, Canada's exports should rapidly increase. This would be the case particularly if other Mediterranean ports are visited. Spain and Portugal both import considerable quantities of codfish, the former bringing in, in 1913, 54,000 tons.

Products of the Mine and Allied Manufactures

METALS AND MINERALS



THE Commission received enquiries for the following: Antimony, Copper, Zinc (Spelter), Iron and Steel.

It is worth noting that Italy, notwithstanding the extent of her territory, does not possess any coal mines or deposits of iron ore. She therefore has to import both, and there is a large demand for fine steel in ingots and also in tubes and sheets. One large shipbuilder is prepared to treat for large quantities of steel suitable for shipbuilding.

MAGNESIUM METAL.—There is a demand for this, and it is worthy of note that since the visit of the Commission, small initial sales have been made of this metal. Larger orders are sure to follow.

ASBESTOS.—Next to wheat and fish, asbestos figures more prominently in Canadian exports to Italy than any other commodity. The lines of trade communication are well established, and need little encouragement. This mineral is an outstanding example of a natural resource which has found its way into the greatest markets of the world.

MICA.—A demand for this was made, and as Italy is a large producer of electrical apparatus, there should be a good market for the right quality.

CORUNDUM, CARBORUNDUM.—The Commission received enquiries for this from Italian importers, the demands agreeing with those in Great Britain and France.

MAGNESITE.—There was a demand for this mineral in Italy as in France and Great Britain.

COBALT AND NICKEL.—Enquiries were received for these articles in Italy. There is a prospect of good trade to be done in both.

Notwithstanding the limited time at the disposal of the Commission while in Italy, it was manifest that Canada has a very large opening in the Italian market for all its metal and mineral products.

CHEMICALS

(Manufactured from various natural resources)

As in Great Britain and France, the Commission found that the chemical factories were almost entirely engaged in the production of explosives. As in the other Allied countries, provision was being made for after the war conditions, so as to adapt the chemical factories and their extensions to the production of industrial chemicals.

Italy produces large quantities of Cream of Tartar and Tartaric Acid, a large quantity during recent years having found its way into foreign markets through Germany.

Italy also produces large quantities of Citric Acid, for the manufacture of which it possesses exceptional natural advantages.

The Commission found that Quinine, which used to be a feature of the Italian chemical trade, is again to be manufactured in that country, after a suspension of many years. The quality of Italian Quinine was of a very high grade, and Canada may naturally look to the Italian manufacturers for a great deal of her supplies in the future.

The Commission also found that the Italian chemists are even now producing many synthetic preparations hitherto made in Germany, such as Acid Acetal-Salicylic, Phenacetin, Pyramidol, Veronal, Hydro-Quinone, Metol, etc.

The demand for Canadian chemicals, such as Acetone, Formaldehyde, Wood Alcohol, and products of that type, does not appear to be very strong in Italy at the present time, but there is no doubt that when the fact becomes known that Canada can offer these products to advantage, a trade of considerable dimensions can be developed.

Italy, thanks to her great wealth of water power, is already manufacturing many electrolytic chemicals, such as Carbide of Calcium, and the tendency will be for the list to be expanded as further water powers are brought under control.

Other Manufactures

AGRICULTURAL IMPLEMENTS

The use of agricultural implements in Italy has rapidly extended in recent years. They now meet with ready acceptance. The importance of the trade in agricultural implements is shown by the following figures of imports:—

1904	1909	1913
\$1,233,000	\$3,795,500	\$3,795,500

The use of modern ploughs, especially of the Brabant type, has become quite general. The Germans made particularly strong efforts to capture this trade, and according to information given to the Commission, were able to quote very low prices by reason of the fact that they used the "scrap" from shipbuilding yards to make plough shares. This metal was an inferior quality of steel but good enough to make a plough that looked well. Further, the Germans had the advantage of very favorable export freight rates to adjoining countries.

United States manufacturers have been in the market to a certain extent with the Oliver plough.

ENAMELLED WARE, STOVES

The exclusion of the imports from Austria which amounted to 2,000 tons in 1913 valued at \$750,000 and of 1,000 tons worth (400,000) from Germany, opens up a field for the Canadian article, if the necessary transportation conditions can be met. The popular demand is for the cheap grey enamelled ware. Stoves of the American type, a German imitation of an American self-feeding cylindrical stove, have been imported and sell freely in Leghorn and Central Italy. Germany has also been successful in providing the central heating plant for apartment buildings. There should be an opening for Canadian makers of central heating systems in Italy.

TEXTILES AND KNIT GOODS

The remarks made concerning Great Britain and France apply equally to Italy.

Cotton textiles are manufactured in Italy, particularly coarse yarn goods, exceptionally well, and Italian taste is so different from Canadian that unusual difficulties present themselves. This industry is in such strong hands in Canada that it might not be unreasonable to suggest that an expert representative with a full range of samples be sent to France and Italy with a view to testing these markets thoroughly, and if an enterprising wholesale merchant in each country could be induced to stock such lines as look at all promising and provision be made for the prompt filling of his repeat orders, this would appear to be the best means of making the attempt.

Cotton blankets, especially in the better grades, are well made in Italy, and little or no opportunity is offered in this line.

Canada is expanding, our products are improving. Our manufacturers are not lacking in enterprise. The world upheaval has created an opportunity. Export markets should be tested both in textiles and knit goods as soon as our manufacturers are in a position to take on new business.

Italian Exports to Canada

Reference to the Appendix (152) will show the extent to which Canada has imported various commodities from Italy. The following may be mentioned particularly:—

PASTAS. Macaroni. Italian pastas are already very favorably received in Canada, and while this industry is developing in the Dominion to an extent where local production can take care of the demand, the good quality of the Italian pastas is almost certain to secure recognition. This is particularly true in connection with the fact, as noted elsewhere, that Canadian wheat is very much in demand in Italy for the manufacture of this class of foodstuff.

WINE. Marsella and Vermouth. There is bound to be a demand for these commodities in Canada, on account of the good quality of the Italian products. Probably also the peculiar vintages of fine wines and sparkling wines will also be in demand.

ACID FRUITS AND OILS. For these two highly important Italian products, the Canadian market offers possibilities of a large sale. The Italian producers feel that if Canada will accord to the Italian acid fruits and oils favorable treatment in regard to tariffs, the imports into Canada of this class of commodity could be considerably developed. This might apply also to essential oils.

HATS. The Italian exports of hats to Canada in 1907 was barely 2,000 lire; in 1909 they amounted to 57,000 lire; in 1910, 285,000 lire; 1911, 575,000 lire; 1912, 747,000 lire; 1913, 904,000 lire. This record speaks for itself. Italian hats are very popular in Canada and are being distributed by the largest and best houses. Straw as well as felt hats share the favor of the Canadian consumer.

SULPHUR. While the sale of this mineral to Canada has lately fallen off owing to the large supply from Louisiana, the establishment of direct steamship lines might facilitate shipments from Italy to Canada. Sulphur makes an excellent ballast cargo.

SOAP. There has been a demand for the Italian soap of the Marseilles type since its first appearance in Canada. It is doubtless possible to expand this trade with mutual satisfaction to both countries.

SILK THREAD AND FABRIC. The cheapness and durability of the Italian product are likely to combine to make the increase in exports to Canada greater in the future.

TOMATO SAUCE. This is one of the largest imports of Canada from Italy (436,000 lire in 1913). At the present time it would seem desirable

to have this commodity imported as freely as possible, until the methods of production in Canada are suitable to a more economic production.

As has already been noted, Italy is enjoying a remarkable expansion industrially. Under these conditions Canada may look forward to much larger trade than ever before.

Belgium

The Commission had the honour of interviewing the Belgian Government on two occasions, once in Paris and once at Havre. At these conferences the needs of the Belgium to be re-constituted were discussed, and the following articles were specified as those which would be most needed by that country:

Building Lumber of all kinds,
Mine Timber,
Wheat and Barley,
Live Cattle for fattening,
Cattle Feed: Oil Cake,
Meats frozen and canned,
Movable Wooden Houses.

The Minister of Finance, Monsieur Van der Vyere, stated that the question of finance was such an important one that he hesitated to speak of the needs of Belgium, but the Commission ventured to assure him that when she had need of materials for re-constructing her homes, her factories, her railways, and renewing her activities, that they need have no fear as to the financial side of the question, as they might be sure of the sympathetic co-operation of the Allied Powers toward that end.



Transportation

T



HE Commission was at every point confronted by the problem of Ocean Transportation. Prior to the war regular lines were running between Great Britain and Canadian ports, viz: the Allan, C. P. R., White Star, Dominion, Canadian Northern, Donaldson, Cunard, Manchester, La Compagnie Générale Transatlantique, La Navigazione Generale Italiana. Between France and Canada the only British line operating at the outbreak of hostilities, was the Allan line between Montreal and Havre.

La Compagnie Générale Transatlantique established a line in 1912 between Montreal and Havre, and only ceased at the outbreak of hostilities. Communication between Italy and Canada was established by the Navigazione Generale Italiana, which company ran a regular steamship line Genoa-Canada. However, as soon as war was declared this line was suspended. The C. P. R. also had a line running between Canada and Trieste, but naturally this service was immediately suspended on the declaration of war.

In taking a general view of the transportation between Canada and the Allied nations, it would appear that the established lines have not given that service in linking up Canada with other countries which might have been expected. It has been felt for some years that the rates of freight have been of such a character as to seriously impair their usefulness as a means of developing Canadian trade. Canada's ocean transportation will have to be completely reorganized if the Dominion is to derive the fullest benefit from her natural resources and manufactured products. The question is one of such serious importance to the Dominion that the Commission feels that it calls for prompt and scientific treatment by the Government. It was suggested to the Commission that greater use might be made of tramp steamers, but this class of vessel requires a cargo outward as well as home, and if encouraged to come to Canada, a steamer of this class is heavily penalized in the matter of insurance, particularly if the voyage is by the St. Lawrence route. As the tramp steamer forms by far the larger proportion of ocean cargo tonnage, it would appear that Imperial control centralized, say in London, might so adjust the employment of ships that the different needs of the Empire might be met as the requirements of the crop or season might demand.* If such a mobilization of Imperial transportation facilities could be achieved, it would lead to an adjustment of freight carrying which would

*Mr. Pauzé dissenting

insure adequate return to the steamers and at the same time bring about a reduction of freight rates which would enormously assist transportation between Canada, the ports of Great Britain and the Allied Nations.

In the opinion of the Commission the question is too important to be left to the decision of private corporations, as the future of Canada in respect to overseas trade will depend almost entirely upon the securing of favorable service and freight rates. It is to be remembered that a great number of Canada's competitors are geographically in a much better position owing to their nearness to the markets of Great Britain and the Allies, and it will be necessary to overcome this drawback if Canada is to have an important share of European trade now so freely offered to her.

At Havre, Bordeaux, Marseilles and Genoa, the establishment of direct lines was urged as a matter of supreme importance. In the opinion of the Commission the service could be better rendered by the adoption of an Imperial scheme of mobilization of our transportation resources. While direct lines have their advantages, it was felt that many of the subsidized lines in the past had not rendered the service which might have been expected from them.

In the Italian Conference which the Commission held, it was pointed out that one of the assets which Italy boasted was surplus manual labor, which gave rise to the large emigration of recent years. While it is not likely that the emigration movement from Italy to Canada will assume pre-war proportions for some time to come, still, it may be reasonably expected that the movement of emigrants from Italy to Canada, would in a large measure compensate for any shortage of cargo from that country to Canada on the return voyage. It may be recognized that full cargoes from both France and Italy to Canada could not always be looked for, seeing that Canadian shipments were of large bulk as a rule—lumber, wheat, etc., whereas French and Italian cargoes consist of finer and less bulky goods.

It may be claimed that Governmental interest in transportation would encourage mainly a certain section of the community; but looked at broadly an ocean service is simply a sort of bridge between one country and another, and while the direct benefit which may be enjoyed by one section is manifest, all sections profit by the easier and cheaper means of transit.

As the conditions brought about by the war are abnormal, the Commission does not wish to deal specifically with them as regards transportation. The question for the future will be the prevention of conditions which interfere with cheap and adequate distribution of Canada's products.

The Commission ventures to suggest that the question of ship-building in Canada should receive the most careful attention of the Government. It is convinced that the expansion of this industry would contribute much to the industrial welfare of Canada, and at the same time would help in some measure to provide the additional tonnage required to bring about a better condition in the matter of transportation.

The Commission is strongly of opinion* that no subsidies, bounties or other concessions, should be granted to any steamship companies or to individual vessels until the whole question of transportation has been thoroughly studied, and not until the methods of moving our grain, etc., are based upon sound and scientific methods.

The Commission on more than one occasion in Great Britain had the question of unsatisfactory bills of lading brought to their notice. The claim was put forward that bills of lading should be uniform, that a standard should be fixed which would be equitable to the shipper and to the shipping companies. The Commission feels that this subject is one of great importance and merits the careful attention of the Department of Trade and Commerce.

It was suggested to the Commission that an expert official should be employed by the Department of Trade and Commerce to advise on shipping matters, to watch freight rates, movements of shipping, and to act as general adviser to exporters and importers on all matters connected with transportation of goods by sea.

The Commission found at all shipping points in Great Britain, that there was a strong desire to encourage Canadian trade. This applies perhaps with special reference to Bristol, where the dock authorities have made special provision for handling Canadian produce and welcome every indication of increased trade with Canada. Cold storage plants of the most modern type, and grain warehouses have been erected, and the Commission was assured that every possible encouragement would be given to merchandise coming from the Dominion.

Hull has also made special provision for Canadian trade, and would be disposed to give every possible facility for this development.

Manchester importers and exporters display the keenest interest in Canadian trade and desire that the traffic between that port and the Dominion should grow. The wonderful development of the Trafford Park Estate promises to place Manchester in a unique position for handling and storing goods.

London, Liverpool, Glasgow and Belfast also encourage the development of Canadian imports and exports, and are prepared to encourage to the full any efforts which are made for its expansion.

*Mr. Hatheway dissenting

In France the Port Authorities at Havre, Nantes, Bordeaux, Marseilles, all expressed the desire that trade between their ports and the Dominion should increase. At Havre, Bordeaux and Marseilles, the Commission found that special provision had been made for handling cargoes such as Canada is prepared to send to France. In these ports extensive improvements were being carried out by the Harbour Commissioners for the purpose of extending the facilities of the ports, in the building of warehouses and providing mechanical appliances for loading and unloading vessels, so as to reduce to a minimum the time occupied in discharge and receipt of cargo.

Nantes was also visited by one of the Commissioners and the same evidence of good-will and desire to foster the trade between Canada and France was manifest. The Commissioners are now advised that a direct line has already been established between Canadian ports and Ste. Nazaire.

The main port of Italy, Genoa, was visited by the Commission, which found that extensive improvements are being executed in the harbour and facilities were being provided for loading and unloading, which the port has not hitherto possessed.

The Commission feels that it can only report conditions respecting freight rates as they find them, but they would reaffirm that they believe the question is a matter of such material importance to the country's export and import business, that it recommends as strongly as possible a complete Governmental survey of the freight situation, and prompt application of such remedial measures as may be found necessary.

One of the most important factors that will have to be considered by the Canadian authorities in connection with the encouragement of vessels to use the St. Lawrence route, will be the question of an improved rate of insurance. Exactly how this is to be done does not come within the province of the Commission, but undoubtedly until the high rate of insurance charged on vessels coming up the St. Lawrence is remedied, there will be reluctance on the part of the ship owners to send their vessels to Quebec and Montreal, as the difference in premium constitutes a serious charge on the vessel. It may, however, be suggested that the plan adopted by the British Government for controlling marine insurance rates be seriously considered by the Canadian Government. Some improvement is vital to the development of the St. Lawrence route, even if the Canadian Government has to absorb the difference between the insurance rates to Quebec and Montreal, where they are higher than those to other North Atlantic ports.

Fiscal Questions

While the Commission was not desirous of discussing fiscal questions, it found that this factor presented itself at practically every point.

In Great Britain while attending meetings of the Convention of the Associated Chambers of Commerce of the Empire, it was able to gather the sentiments of the different units of the Dominions beyond the Seas.

At the meetings held at Skinner's Hall, London, June 6th, 7th, and 8th, the question of tariffs between the different parts of the Empire—the allies, neutrals and enemy countries, was brought up. As a result of the discussion which then took place, the following resolution was passed with practical unanimity—there were only two dissentients:—

“That this Conference endorses the resolution passed at the Special Meeting of the Association of Chambers of Commerce of the United Kingdom on February 29th and March 1st, 1916, and urges that arrangements should be made at the earliest possible moment to provide (a) for preferential reciprocal trading relations between all parts of the British Empire. (b) for reciprocal trading between all parts of the British Empire and the Allied countries (c) for the favourable treatment of neutral countries, and (d) for restricting by tariffs and otherwise trade relations with all enemy countries, so as to render dumping or a return to pre-war conditions impossible. That copies of this resolution be communicated to all the Governments of the Empire.”

During the Conference in Great Britain it was manifest that the British people were preparing themselves for some fiscal changes. There was an evident desire to defend the position of industry in the United Kingdom and to prevent a return to the old conditions under which so many staple British trades had been undermined.

It is impossible for the Commissioners to predict in any way what will be the outcome of Britain's travail in this matter. They can simply record the fact that there was even in the strong Free Trade centres, an evident disposition to reconsider the question of England's past fiscal policy. Many pronounced Free Traders in the light of recent events, stated that they were disposed to review their position with the object of putting an end to the unfair competition to which Great Britain had been subjected.

Subsequent to the meeting of the Convention of the Association of the Imperial Chambers of Commerce in London, the Economic Conference of the Allied Governments met in Paris under the presidency of Monsieur Clementel, Minister of Commerce, on 14th, 15th, 16th, and 17th June, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference of 28th March, 1916, in order to give practical expression to their solidarity of views and interests and of proposing to

their respective Governments the appropriateness of the time for realising that solidarity. After considerable discussion, this Economic Conference made several recommendations. Their proposed measures for the war period do not come within the province of this report, but the suggested transitory measures for the operating of commercial, industrial, agricultural and maritime reconstruction of the allied countries, are as follows:

"I. The Allies declare their common determination to ensure the re-establishment of the countries suffering from acts of destruction, spoliation and unjust requisition, and decide to join in devising means to secure to restoration to those countries as a prior claim, for their raw materials, industrial and agricultural plant, stock, and mercantile fleet, or to assist them to re-equip themselves in these respects.

II. Whereas the war has put an end to all the treaties of commerce between the Allies and the Enemy Powers, and whereas it is of essential importance that, during the period of economic reconstruction which will follow the cessation of hostilities, the liberty of none of the Allies should be hampered by any claim put forward by the Enemy Powers to most-favoured-nation treatment, the Allies agree that the benefit of this treatment shall not be granted to those powers during a number of years to be fixed by mutual agreement among themselves.

During this number of years the Allies undertake to assure to each other so far as possible compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in the preceding paragraph.

III. The Allies declare themselves agreed to conserve for the allied countries, before all others, their natural resources during the whole period of commercial, industrial, agricultural and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

IV. In order to defend their commerce, their industry, their agriculture and their navigation against economic aggression resulting from dumping or any other mode of unfair competition the Allies decide to fix by agreement a period of time during which the commerce of the Enemy Powers shall be submitted to special treatment, and the goods originating in their countries shall be subjected either to prohibitions or to a special régime of an effective character.

The Allies will determine by agreement through diplomatic channels the special conditions to be imposed during the above mentioned period on the ships of the Enemy Powers.

V. The Allies will devise the measures to be taken jointly or severally for preventing enemy subjects from exercising, in their territories, certain industries or professions which concern national defence or economic independence."

The most important recommendations by the Economic Conference at Paris, so far as this report is concerned, are the following:

- "I. The Allies decide to take the necessary steps without delay to render themselves independent of the enemy countries in so far as regards the raw materials and manufactured articles essential to the normal development of their economic activities.

These measures should be directed to assuring the independence of the Allies not only so far as concerns their sources of supply, but also as regards their financial, commercial and maritime organizations.

The Allies will adopt such measures as may seem to them most suitable for the carrying out of this resolution, according to the nature of the commodities and having regard to the principles which govern their economic policy.

They may, for example, have recourse either to enterprises subsidised, directed or controlled by the Governments themselves or to the grant of financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to customs duties or prohibitions of a temporary or permanent character; or to combination of these different methods.

Whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

- II. In order to permit the interchange of their products, the Allies undertake to adopt measures for facilitating their mutual trade relations both by the establishment of direct and rapid land and sea transport services at low rates, and by the extension and improvement of postal, telegraphic and other communications.
- III. The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation, so far as may be possible, of their laws governing patents, indications of origin and trade marks.

In regard to patents, trade marks and literary and artistic copyright, which have come into existence during the war in enemy countries, the Allies will adopt, so far as possible, an identical procedure, to be applied as soon as hostilities cease.

The procedure will be elaborated by the technical delegates of the Allies."

These recommendations were the unanimous finding of the Economic Conference and have been duly forwarded to the Governments interested. If followed out, it would mean that the Allied Powers would agree to adopt a common economic policy. The Economic Conference recommended strongly that in order to give effectiveness to their recommendations, they should be put into operation forthwith.

It will be seen from the findings of the British Associated Chambers of Commerce and the Economic Conference in Paris, that the leading statesmen and commercial leaders of the Empire are unanimous with regard to the policy to be pursued after the war. The possibility of carrying out the recommendations made by these two bodies, will depend entirely upon the attitude of Great Britain as to her fiscal policy. This will be the determining factor in any fiscal recommendations which may be made by the Allied nations, and until the policy of Great Britain is declared, any proposals for preferential tariffs between the Allies must be considered speculative.

In France there was a most pronounced tendency to favour preferential tariffs between the Allies. It was explained that France would have no difficulty in adopting this policy, as she had already a fiscal system that would enable her to make terms readily with the Allied countries. It was distinctly stated, however, by the Ministers in France, that nothing definite could be formulated until Great Britain had decided as to her future policy. Should the United Kingdom and the Empire decide upon a system of preferential tariffs, France would be most willing to enter into an agreement whereby Great Britain and the Dominions would be granted special concessions. Everything, however, it was pointed out, would depend upon the action of Great Britain in the matter.

Italy's position was found to be much the same as that of France. Her Ministers declared their willingness to consider favourably the allied preferential plan. They expressed surprise that tariffs should be the battledore and shuttlecock of politics, and expressed themselves willing then and there, to modify their tariffs in favour of Canada, if a quid pro quo could be given. As to the establishment of a preferential plan with Great Britain and her other Allies, the Italian Ministers said that everything depended upon the steps Great Britain would take.

The impression of the Commission in the countries visited was, that it was desired that a preferential tariff should be given by each Allied nation to the other Allies—that there should be an intermediate tariff for neutral countries, and that enemy countries should be penalized as far as possible by a tariff wall, which, if not prohibitory, would restrain to a large extent the unfair competition and “dumping” methods which had been such an unsatisfactory feature of commerce during the past.

Advertising Canada

As the result of its investigations, the Commission is of the opinion that a more systematic method of advertising Canada would be a distinct advantage to the Dominion.

At present there are many Government departments, private firms and institutions, who are in their own way advertising Canada, and in many instances doing the work very well indeed. It is manifest, however, that there is considerable loss of power and money owing to divided efforts in this direction. It should be possible for the Government to organize a definite scheme of advertising which would embrace the various interests, and thus secure co-ordination in the making of Canada and its resources better known throughout the world. It would be worth while employing an individual who has comprehensive grasp of all branches of advertising who would act as adviser in this important direction.

To the end that the products of Canada may be more satisfactorily placed before the peoples of Great Britain, France and Italy, the Commission would suggest that permanent exhibitions, not only of the raw, but of the manufactured products, should be shown in the most suitable centres of the countries named. To some extent, this is practised locally in Great Britain, but the plan might be extended, and certainly might be inaugurated in France and Italy with great advantage.

The Commission would also recommend that a special trade representative should be appointed in France to look after purely commercial interests, as the character of the calls upon the services of the Commissioner General of Canada, in Paris, at the present time preclude him from taking too direct an interest in commercial matters. Such a commercial representative in Paris would contribute very materially to the extension of Canadian export trade.

Appendix

Explanatory Note

The tables and charts which follow are intended to enable readers to see at a glance the state of trade before the war between Canada and the countries which the Commission visited.

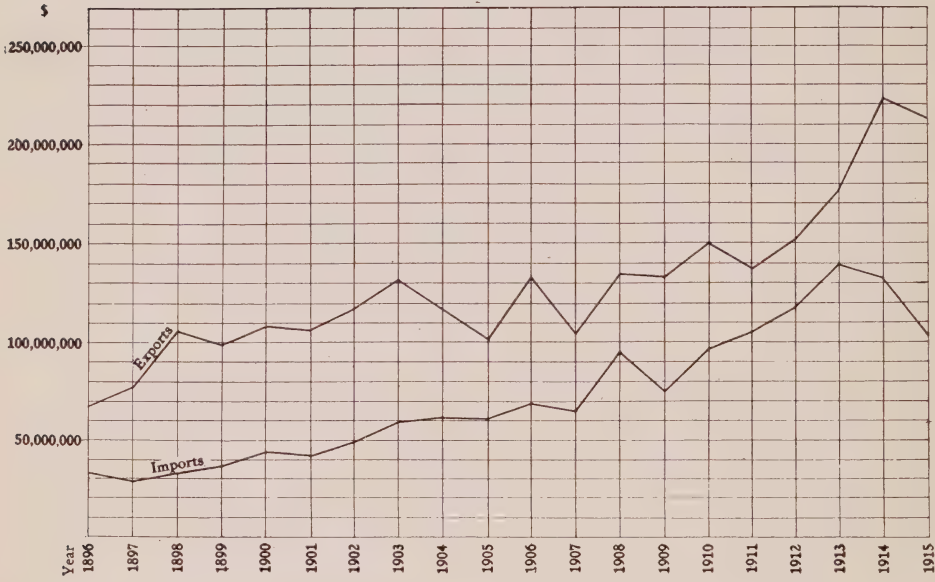
To indicate normal pre-war conditions, particularly with respect to the competition which Canada must expect in these markets, the trade returns of the British, French and Italian Governments for the year 1913 have been utilized. The figures of this one year, it is thought, will give a more satisfactory view of the situation than those of a series of years, or than an average over several years.

No details have been given with regard to Belgium. British returns are in pounds sterling. Italian import figures, originally in lire, have been converted to dollars. The French customs imports statistics do not give details of values, but only of weights of goods received from abroad. These details have been left in the original Metric Quintals (220.46 pounds) and the total value of any class of import has been converted from francs to dollars. The French imports are for consumption, those of the other countries are general imports.

UNITED KINGDOM

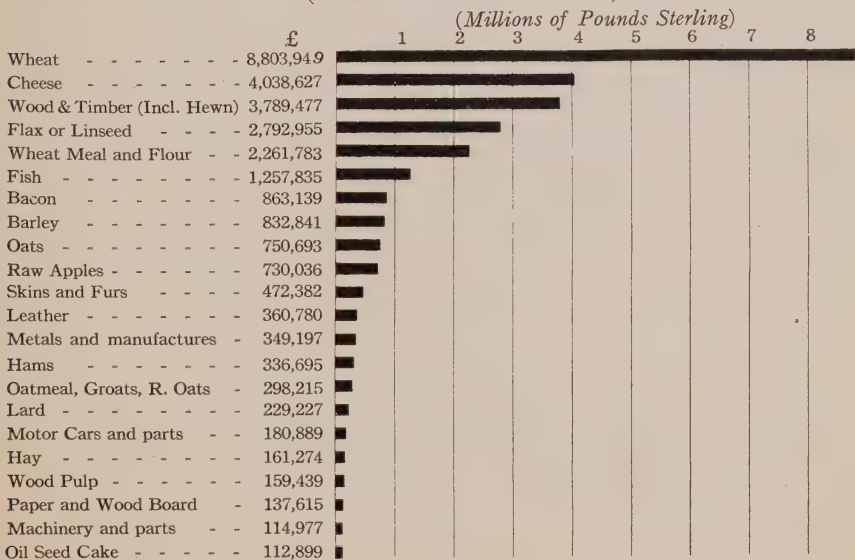
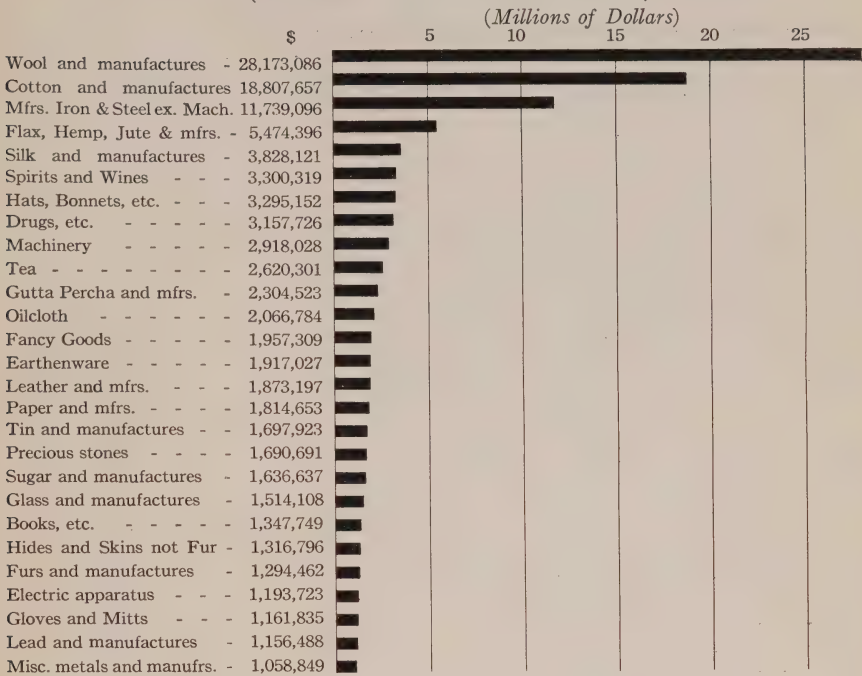
CANADA'S TRADE WITH UNITED KINGDOM
1896-1915

Merchandise
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

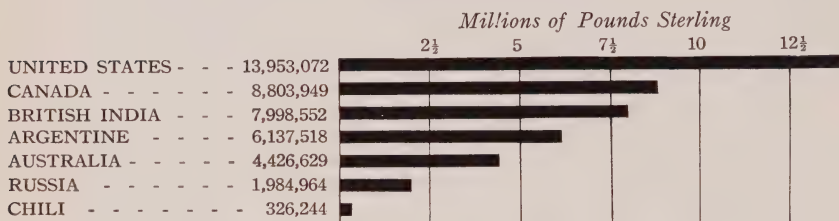
(Millions of Dollars)



Canada's Competition in United Kingdom

Imports, by Principal Countries of Origin, into United Kingdom in 1913, of Goods which Canada Exports thereto in Largest Quantities. Board of Trade Returns. (Charts follow order of table preceding).

WHEAT

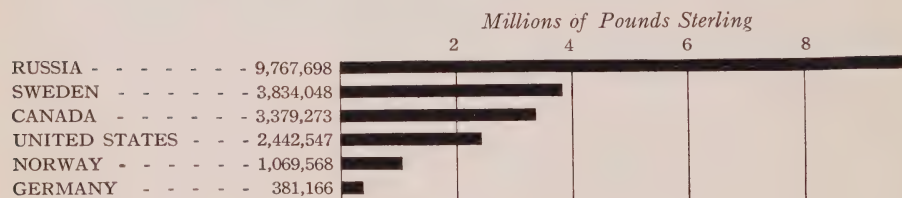


CHEESE

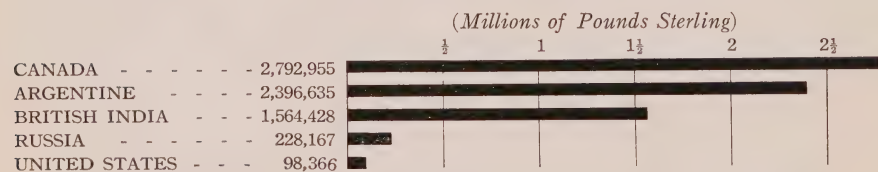


WOOD AND TIMBER

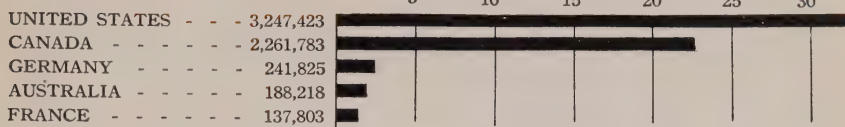
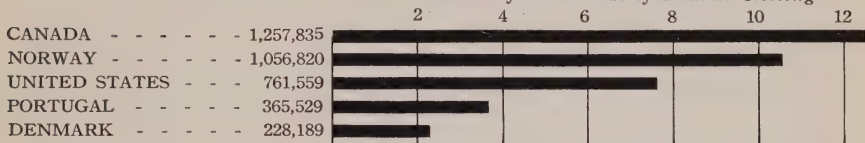
Sawn or split, planed or dressed and Sleepers



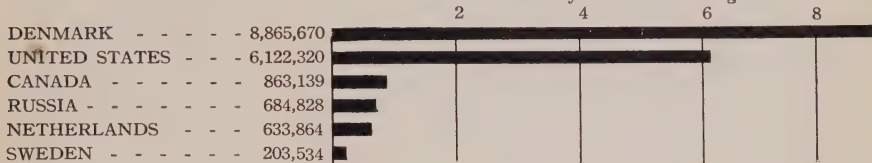
FLAX OR LINSEED



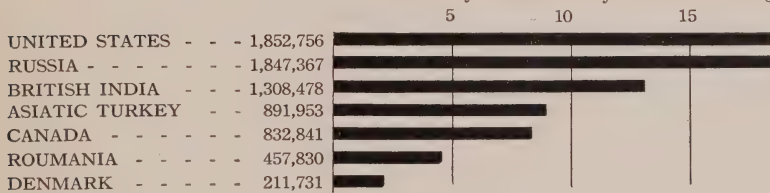
WHEAT MEAL AND FLOUR

Hundreds of Thousands of Pounds SterlingFISH OF ALL KINDS
Except Oysters for Breeding*Hundreds of Thousands of Pounds Sterling*

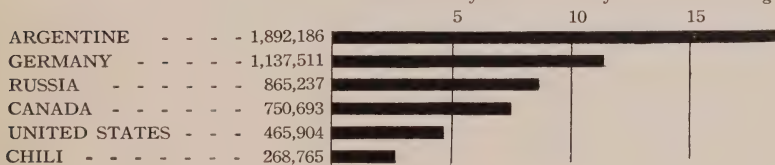
BACON

Millions of Pounds Sterling

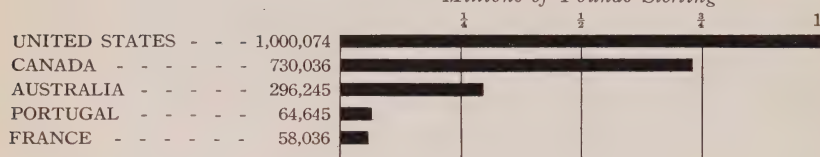
BARLEY

Hundreds of Thousands of Pounds Sterling

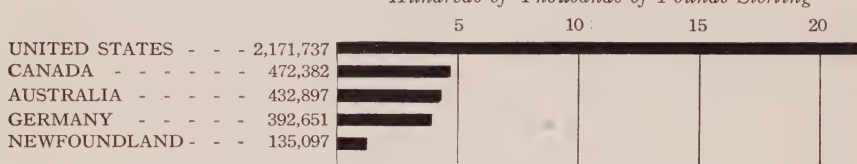
OATS

Hundreds of Thousands of Pounds Sterling

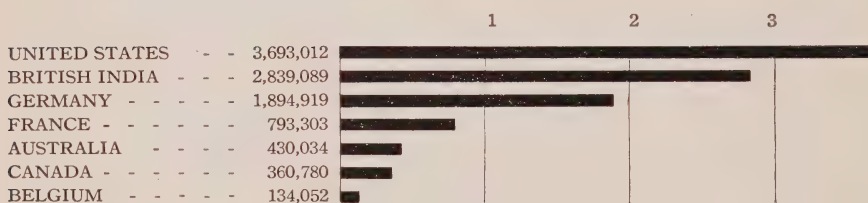
RAW APPLES

Millions of Pounds Sterling

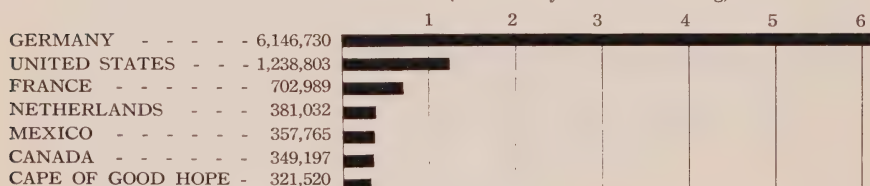
SKINS AND FURS

(Other than Goat, Sheep and Rabbit) Unenumerated,
and Sealskins, Undressed*Hundreds of Thousands of Pounds Sterling*

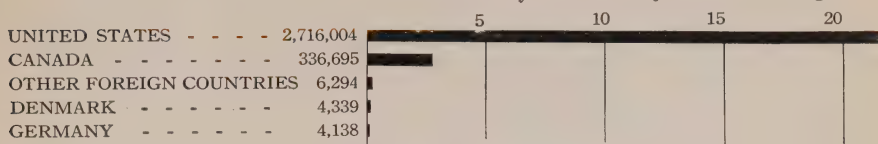
LEATHER

(Millions of Pounds Sterling)

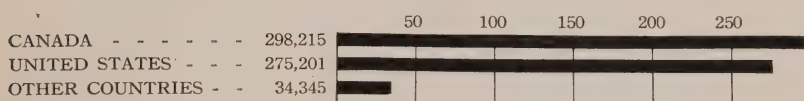
METALS AND MANUFACTURES THEREOF

*i. e., Copper Regulus and Precipitate, Iron and Steel of all kinds (excluding old iron, except old rails), Zinc, Crude, Metal unenumerated in Import List, unwrought.**(Millions of Pounds Sterling)*

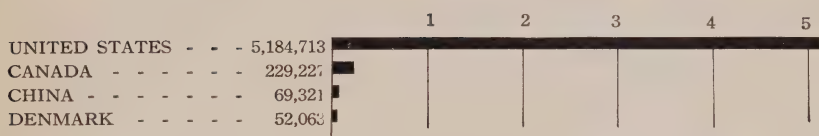
HAMS

Hundreds of Thousands of Pounds Sterling

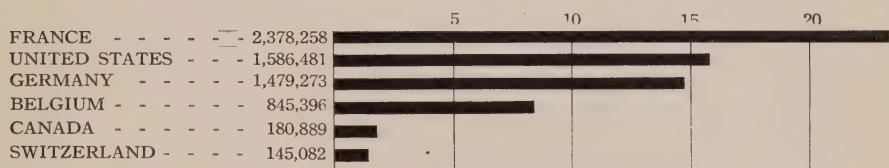
OATMEAL, GROATS

Thousands of Pounds Sterling

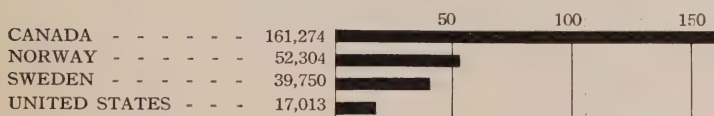
LARD

Millions of Pounds Sterling

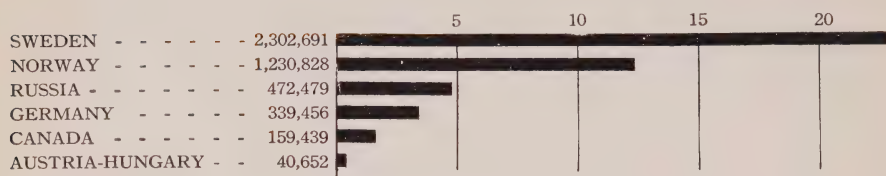
MOTOR CARS AND PARTS THEREOF

Hundreds of Thousands of Pounds Sterling

HAY

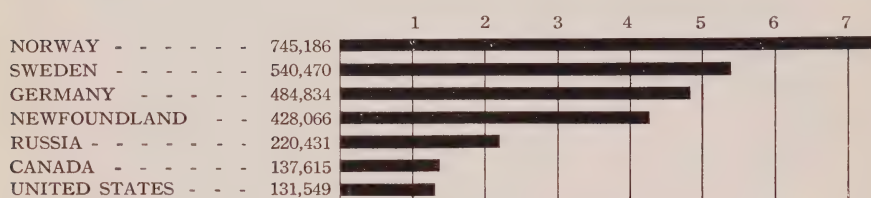
Thousands of Pounds Sterling

WOOD PULP

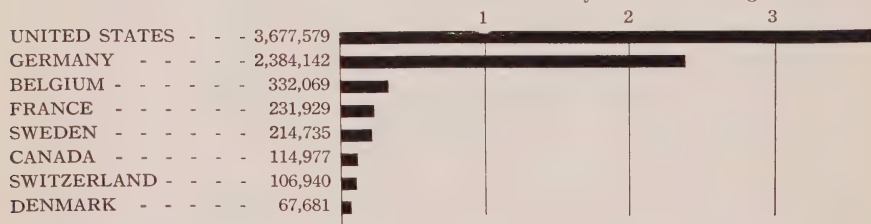
Hundreds of Thousands of Pounds Sterling

PAPER FOR PRINTING OR WRITING

Millboard and Woodpulp Board

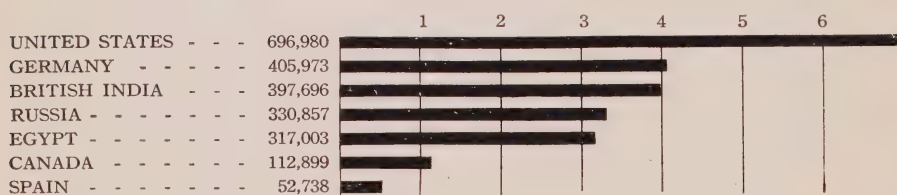
Hundreds of Thousands of Pounds Sterling

MACHINERY AND PARTS THEREOF

Millions of Pounds Sterling

OILSEED CAKE

(Cottonseed, Linseed and others)

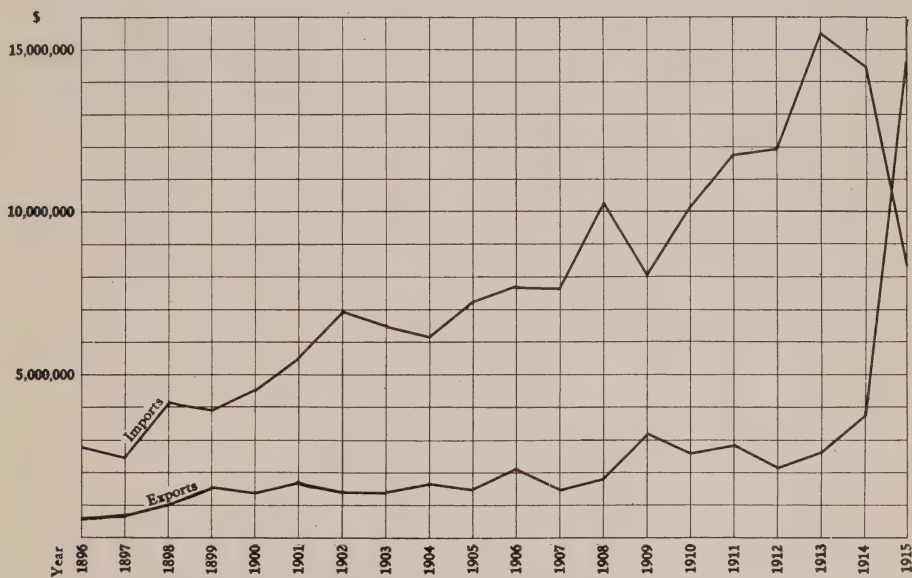
Hundreds of Thousands of Pounds Sterling

FRANCE

CANADA'S TRADE WITH FRANCE

1896-1915

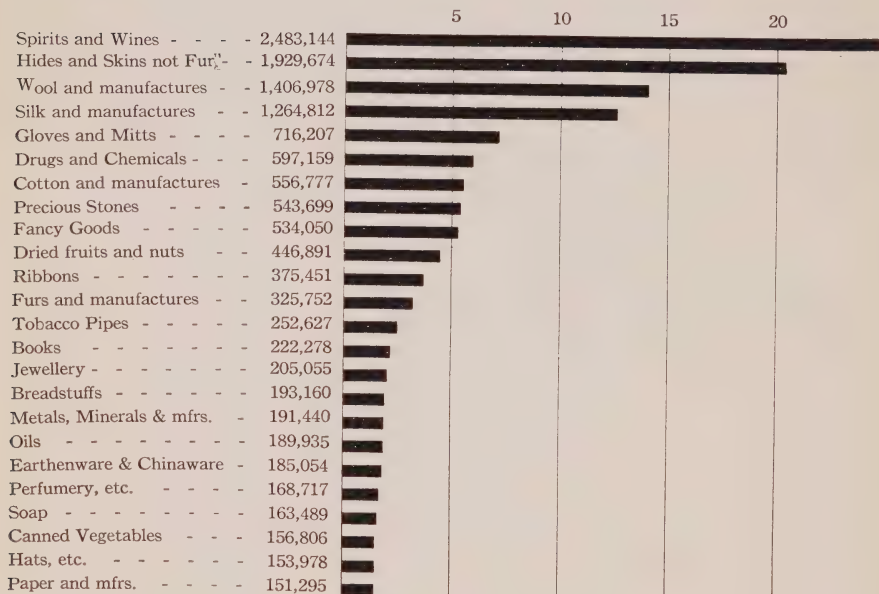
Merchandise
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

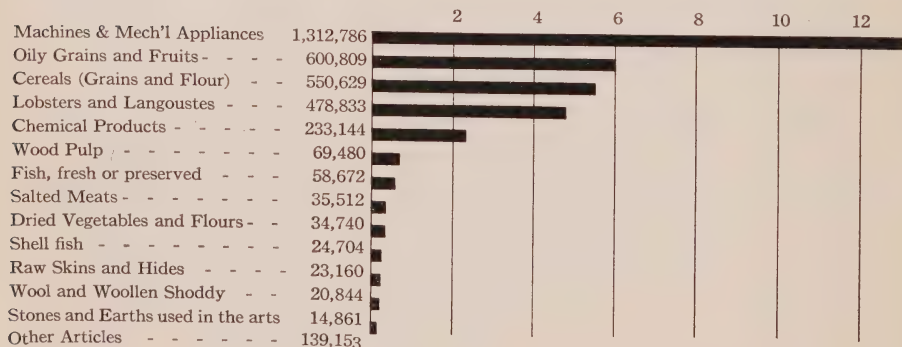
Principal Imports of French Goods into Canada, 1913

(Canadian Government Returns)

(Hundreds of Thousands of Dollars)

Principal Imports of Canadian Goods into France, 1913

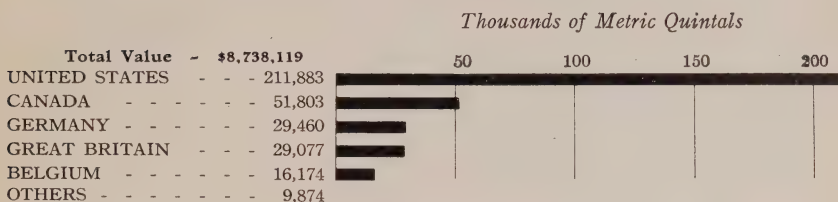
(French Government Returns)

Hundreds of Thousands of Dollars

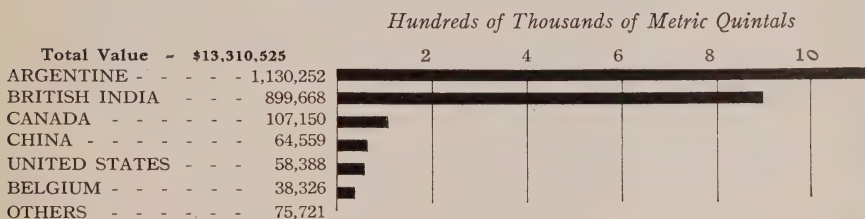
Canada's Competition in France

Imports, by Principal Countries of Origin, into France in 1913, of Goods which Canada Exports thereto in Largest Quantities. French Government Returns. (Charts follow order of preceding table but do not in all cases correspond exactly).

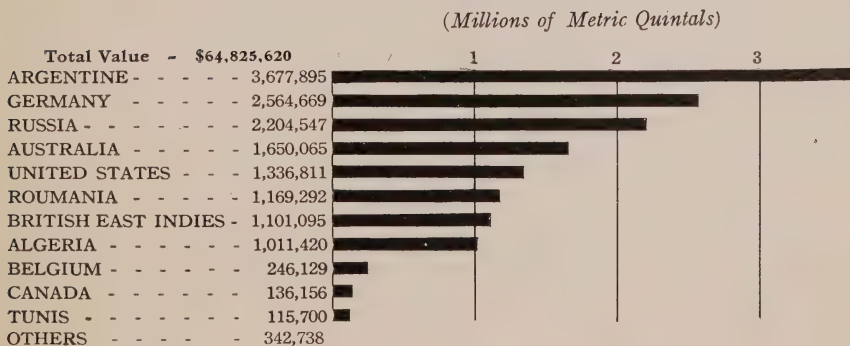
AGRICULTURAL IMPLEMENTS



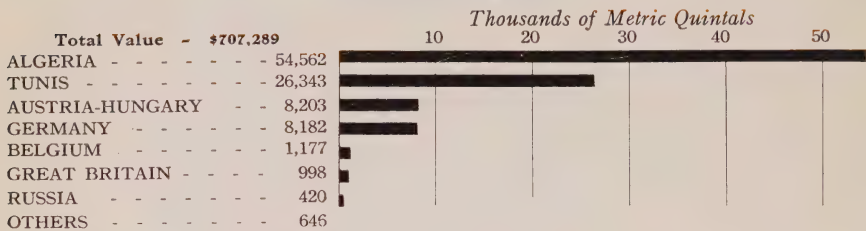
FLAX SEED



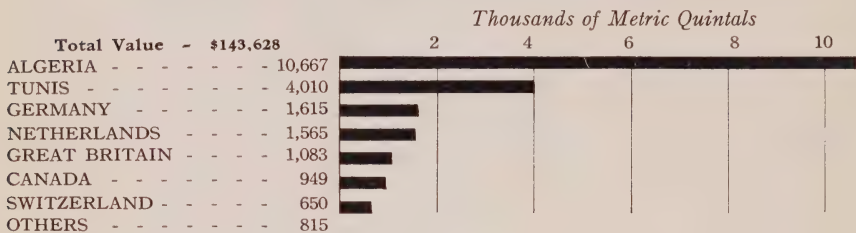
WHEAT



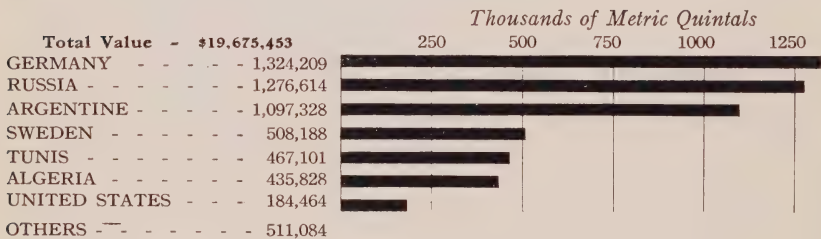
WHEAT FLOUR



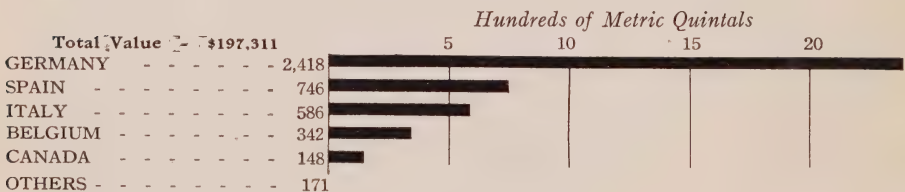
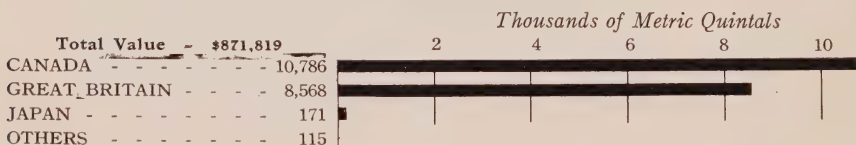
GROATS, OATMEAL, ROLLED OATS, Etc.



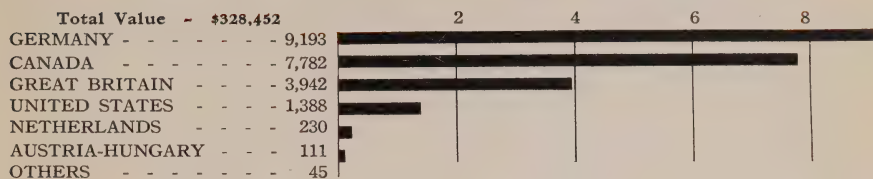
OATS



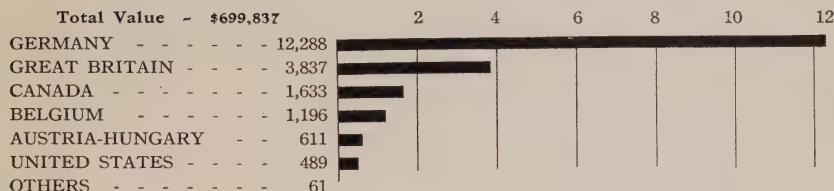
CLOVER SEED, Etc.

LOBSTERS
Canned

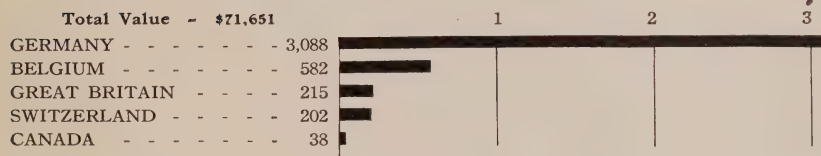
METHYL ALCOHOL

Thousands of Metric Quintals

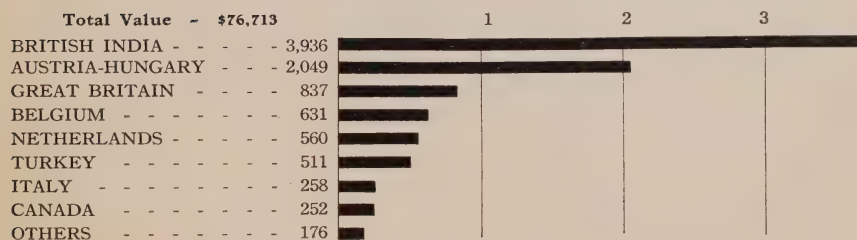
ACETONE

Thousands of Metric Quintals

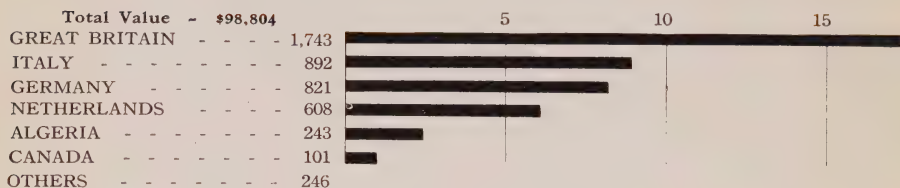
FORMIC ALDEHYDE

Thousands of Metric Quintals

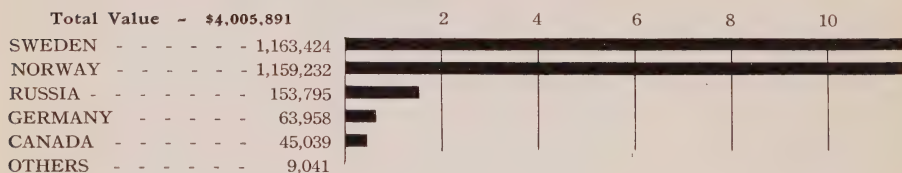
TANNIC EXTRACTS

Thousands of Metric Quintals

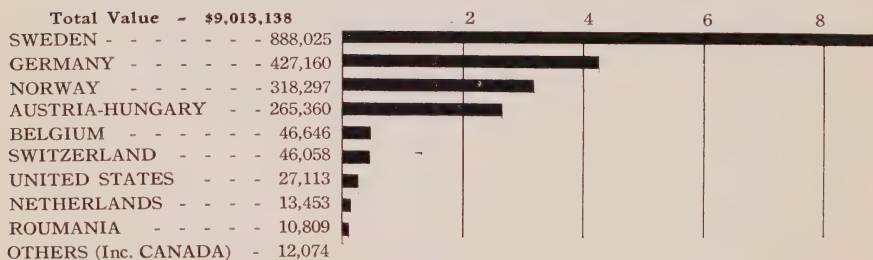
PURE ALCOHOL

Hundreds of Metric Quintals

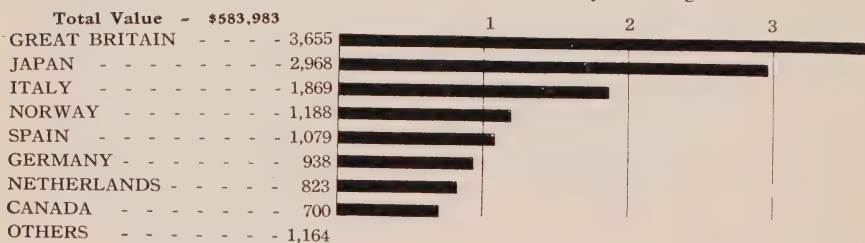
MECHANICAL PULP, DRY

Hundreds of Thousands of Metric Quintals

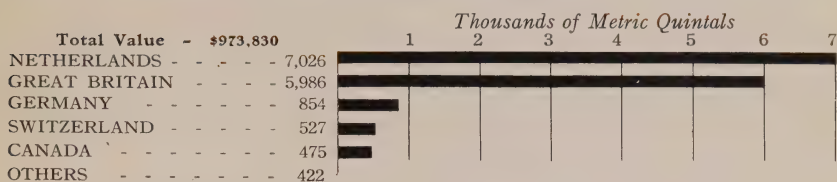
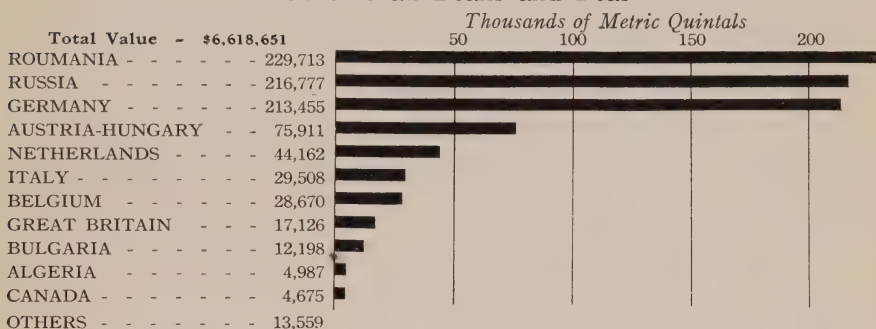
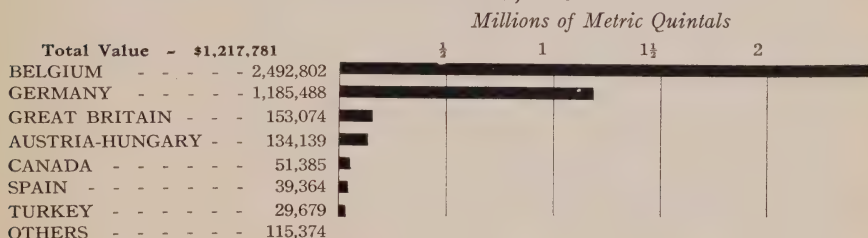
CHEMICAL PULP

Hundreds of Thousands of Metric Quintals

FISH, Preserved or Prepared, other than Sardines

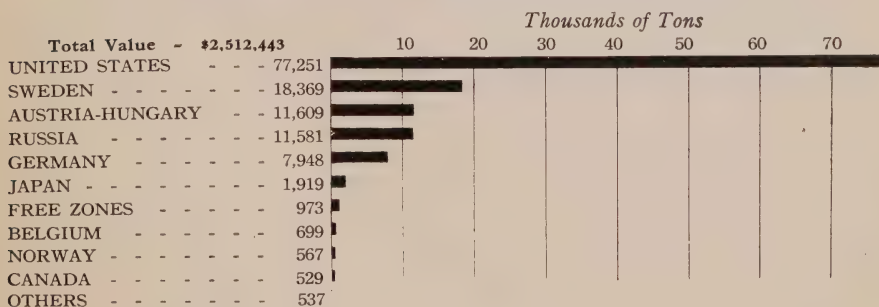
Thousands of Metric Quintals

FRESH SALMON

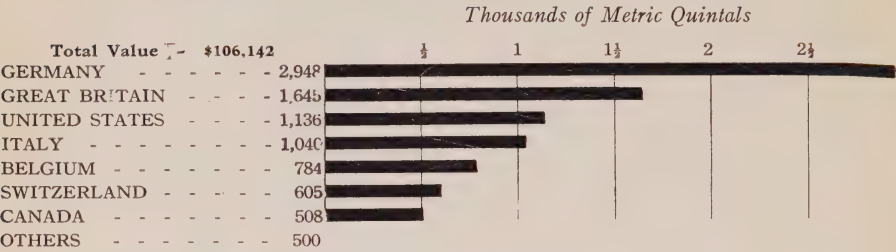

 DRY VEGETABLES AND FLOURS THEREOF
 Other than Beans and Peas

 VARIOUS STONES FOR USE IN THE ARTS
 CRUDE TALC, Etc.


STRUCTURAL TIMBER

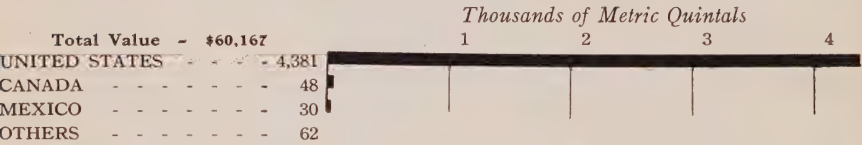
Square or Sawn, more than 80 millimetres thick



SUNDRY ARTICLES MADE OF WOOD



DRIED APPLES



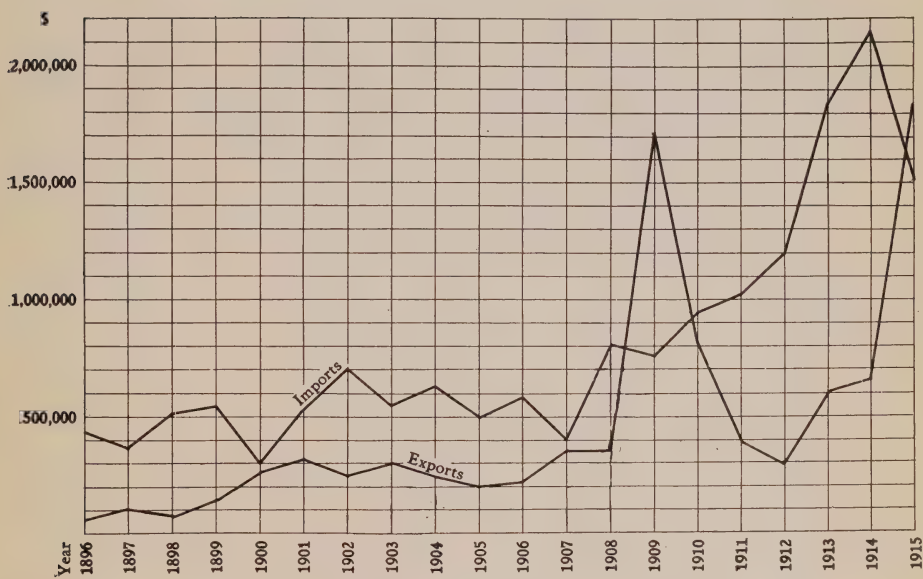
ITALY

CANADA'S TRADE WITH ITALY

1896-1913

Merchandise

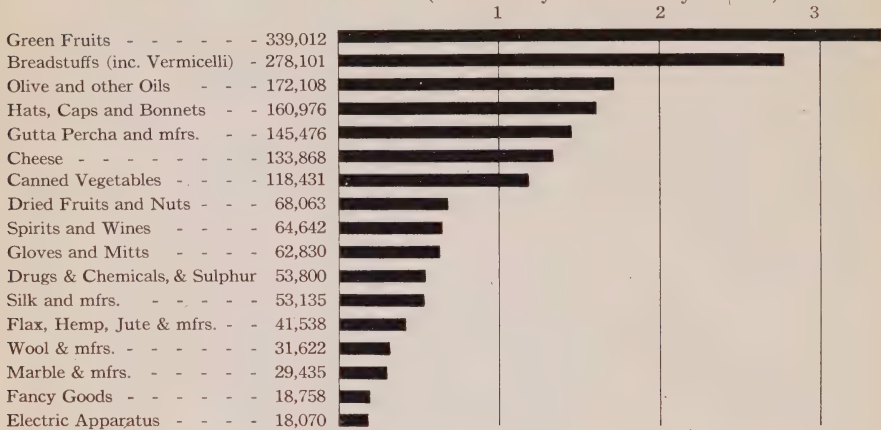
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

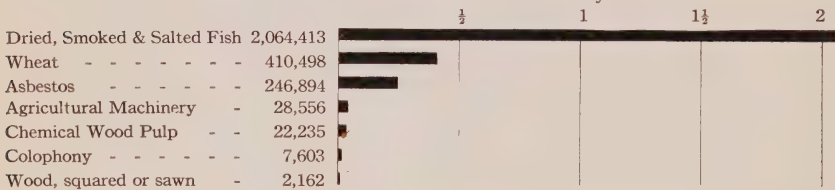
Principal Imports of Italian Goods into Canada, 1913

(Hundreds of Thousands of Dollars)



Principal Imports of Canadian Goods into Italy, 1913

Millions of Dollars



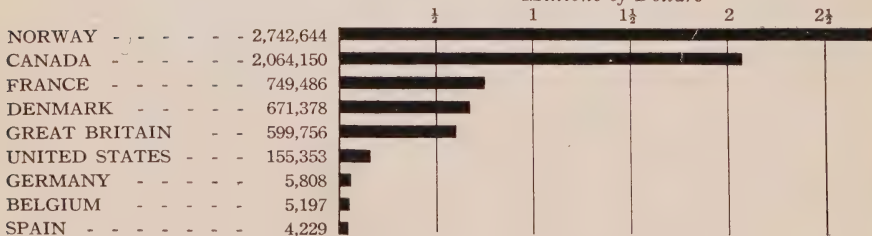
Canada's Competition in Italy

Imports, by Principal Countries of Origin, into Italy in 1913, of Goods which Canada Exports thereto in Largest Quantities. Italian Government Returns. (Charts follow order of table preceding).

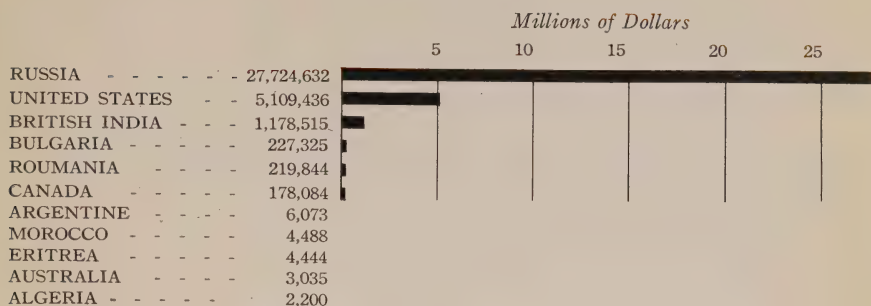
FISH

Dried, Smoked and Salted

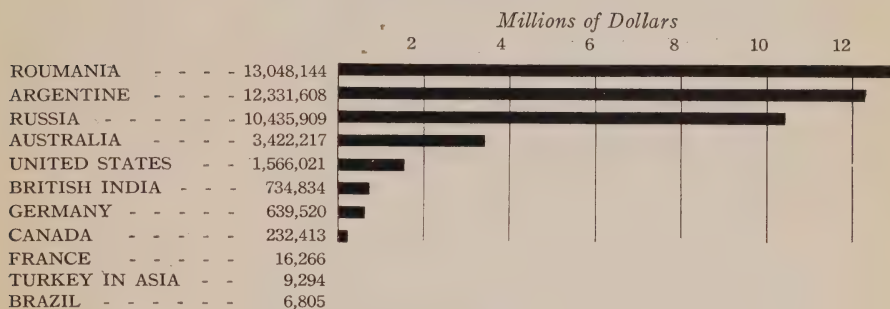
Millions of Dollars



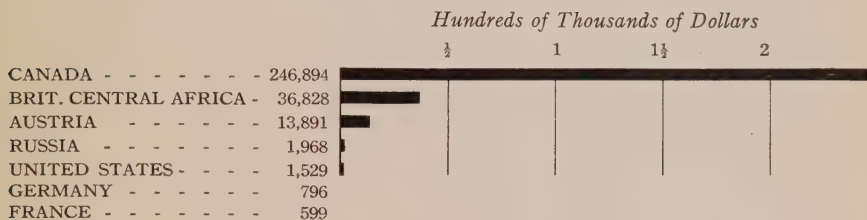
HARD WHEAT



SOFT WHEAT

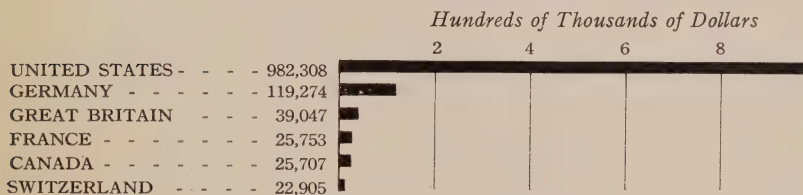


ASBESTOS



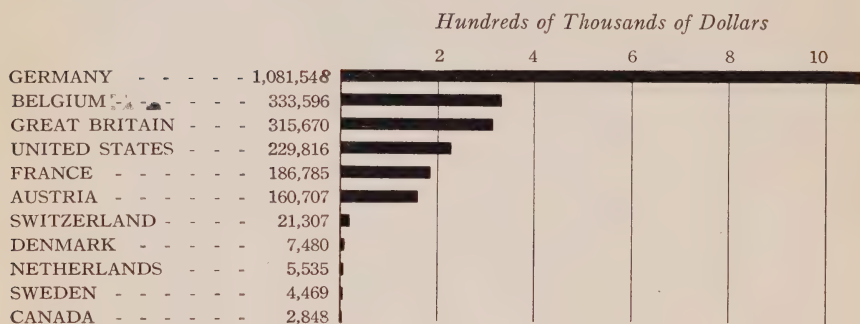
AGRICULTURAL MACHINERY

Mowers and Reapers

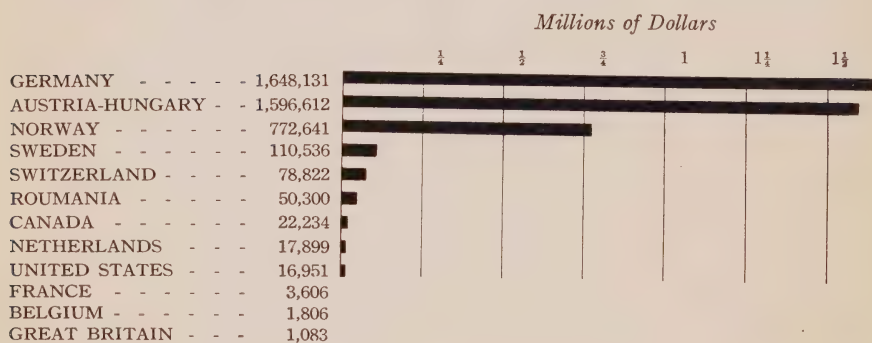


AGRICULTURAL MACHINERY

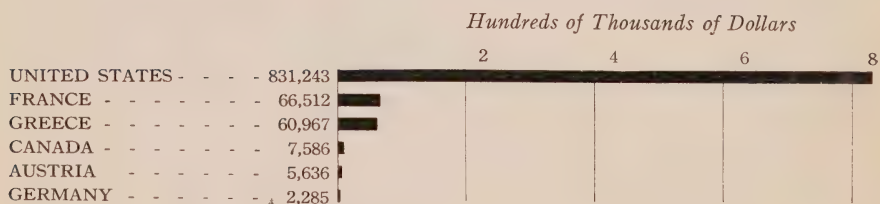
Other than Mowers and Reapers



CELLULOSE OF WOOD, STRAW, ETC.



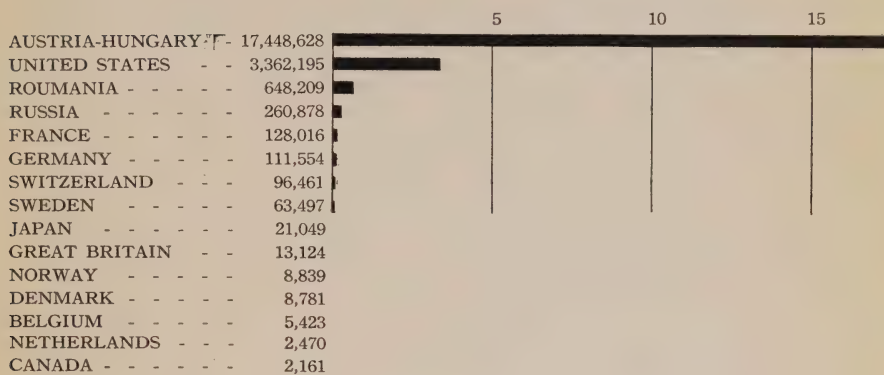
COLOPHONY



TIMBER

Common Wood, squared or sawn into lengths (Northern Hemisphere woods only considered)

Millions of Dollars

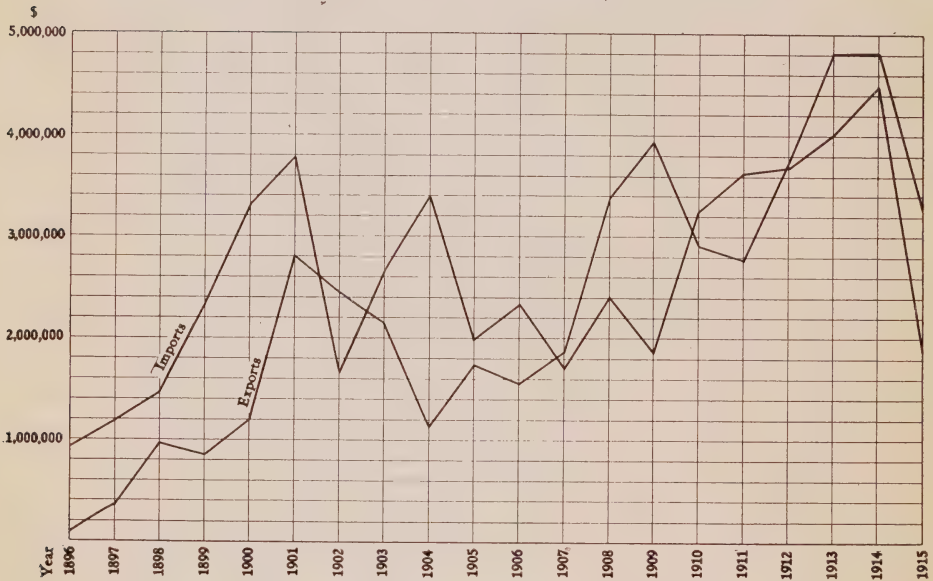


BELGIUM

CANADA'S TRADE WITH BELGIUM

1896 to 1915

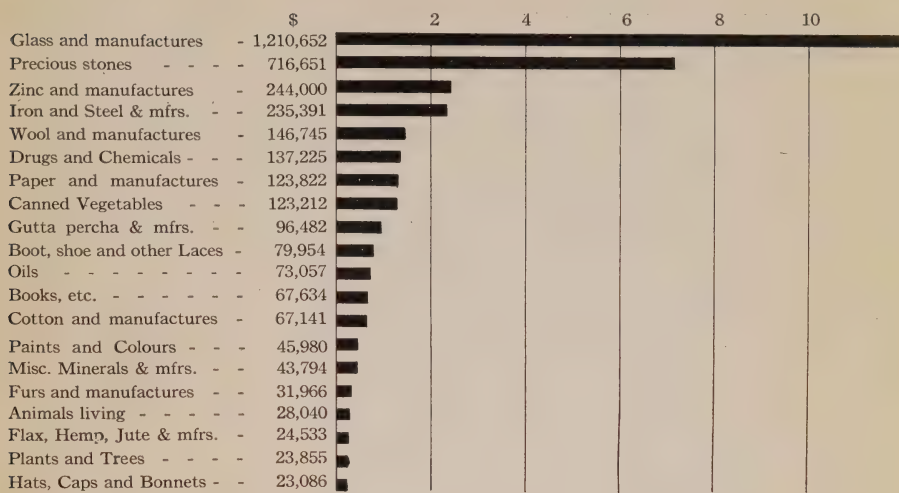
Merchandise
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

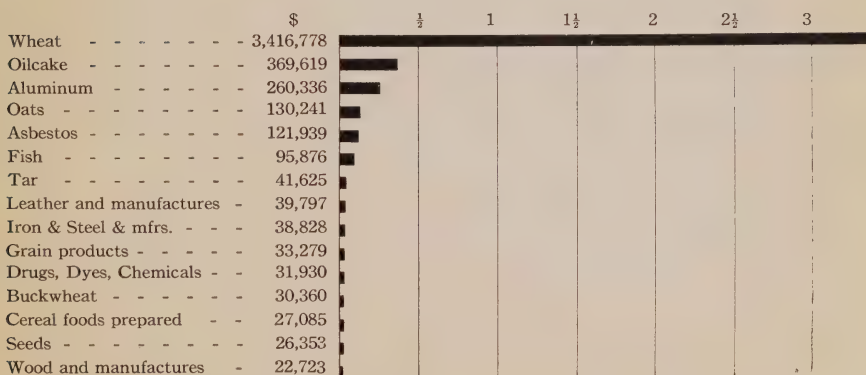
Principal Imports of Belgian Goods into Canada, 1913

(Hundreds of Thousands of Dollars)



Principal Exports of Canadian Goods to Belgium, 1913

(Millions of Dollars)



HEALTH RESORTS AND THERMAL STATIONS OF FRANCE

AIX-LES-BAINS (Savoy), Lac du Bourget, Season: April to November.	Hot Sulphur Springs, Douches, Massage, cure for rheumatism, gout, arthritis complaints, effects of wounds.
BESANCON (Franche Comtè.) Season: May to September.	Bromo-Iodine and Sodic Waters. Lymphatism, scrofula, adenitis, osseous and articular affections, women's diseases. Tumours.
BOURBON L'ARCHAMBAULT (Central France), Ry. Station Moulins. Season: May to October.	Sodic-Chloro, Iodurated and Radio-Active Waters 53° cures for arthritis, rheumatism and paralysis, effects of wounds.
CHALLES-LES-EAUX (Savoy), Ry. Station Chambéry Season: May 15 to October 15.	Sulphurated, Strong Bicarbonated, Sodic Bromo-Chlorated Waters for affections of the throat, ears and nose. Treatment of lymphatism and skin diseases.
CHATEL-GUYON (Auvergne), Season: May to October 15.	Sodio-Magnesia, Lithia and Ferruginous Waters of the Miration Spring (absolutely free) Treatment for constipation, enteritis, dyspepsia, appendicitis, and stomach complaints.
POUGUES-LES-EAUX (Central France), Season: June to October.	Calcic Bicarbonated Springs, cure for dyspepsia, enteritis, diabetes, neurasthenia, illnesses consequent on impoverishment of the blood.
EVIAN-LES-BAINS (Lake of Geneva), Season: May to October	Source Cachat. Treatment for chronic gout. Digestive and urinary organs, kidneys, liver complaints and arterio-sclerosis.
ROYAT (Auvergne), Season: May to October.	Altitude 1,400 feet. First-class drinking water, special treatment for affections of the heart and blood vessels, anaemia, gout, etc.
ST. NECTAIRE (Auvergne), By P. L. M. Motor Service from Issoire Season: May to October.	Combined Bicarbonated Springs. For the treatment of albuminuria and lymphatic children.
URIAGE-LES-BAINS (Dauphiny), Season: May to October.	Sulphur and Alkaline Springs. Cure for lymphatics and skin diseases.
VALS-LES-BAINS, (Ardèche), At foot of Cevennes. Season: May to October.	Source Vals-Saint-Jean. Aerated Sodic-Bicarbonated and Ferruginous Arsenical Springs, for affections of the digestive organs and stomach, arthritis, gout, diabetes, obesity and marsh fevers.
VICHY, (Central France), Season: May to October.	World-renowned for its Mineral Waters. Sodio-Bicarbonated Springs, treatment for liver, stomach, gout, gravel, arthritis.
LA BOURBOULE.	Mineral Waters, Ferruginous Arsenical Springs.
LE MONT DORE.	Mineral Waters, Ferruginous, Saline, Lithia and silicious, radio-active waters.



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